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OFFICE OF BUDGET AND FINANCE

Volume No. 1

EXPLANATORY NOTES

for

DEPARTMENT OF AGRICULTURE

BUDGET ESTIMATES

Fiscal Year

1945

U.S.D.A.
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(Volume 1)

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UNITED STATES DEPARTMENT OF AGRICULTURE

Subappropriations--Budget Estimates, 1945 (Including Provisions
for Overtime), Compared with Appropriations and Estimated
Supplementals for Overtime, 1944

Note: Figures in brackets [] not included in totals.

Item	Appropriations: and estimated : Budget : Increase supplementals : estimates, : (+) or for overtime, : 1945 : decrease (-) 1944 a/ :	
OFFICE OF THE SECRETARY:		
Salaries and expenses	\$1,738,038:	\$1,729,200: b/ -\$8,838
WORKING CAPITAL FUND	400,000:	- - -400,000
OFFICE OF SOLICITOR: Salaries and expenses	1,964,205:	1,955,832: b/ -8,373
OFFICE OF INFORMATION:		
Salaries and expenses	512,524:	506,000: b/ -6,524
Printing and binding	1,200,000:	1,100,000: b/ -100,000
Reproduction of 1942 Yearbook of Agriculture	178,000:	- - -178,000
Total	1,890,524:	1,606,000: -284,524
LIBRARY: Salaries and expenses:	543,233:	543,233: - -
BUREAU OF AGRICULTURAL ECONOMICS:		
Economic investigations	2,475,236:	2,475,236: - -
Crop and livestock estimates ..	1,571,720:	1,500,000: -71,720
Total	4,046,956:	3,975,236: b/ -71,720
OFFICE OF FOREIGN AGRICULTURAL RELATIONS: Salaries and expenses	481,505:	481,505: - -
EXTENSION SERVICE:		
Payments to States:		
Capper-Ketcham Act	1,480,000:	1,480,000: - -
Additional extension work ..	555,000:	300,000: -255,000
Bankhead-Jones Act	12,000,000:	12,000,000: - -
Alaska	23,950:	23,950: - -
Puerto Rico	140,000:	140,000: - -
Cooperative agricultural ex- tension work (permanent) ..	4,704,710:	4,704,710: - -
Total, payments to States :	18,903,660:	18,648,660: -255,000

a/ Figures adjusted on basis of appropriation set-up in 1945 Budget estimates.

b/ The Budget estimates provide changes in working funds available for 1945 (by direct appropriation and transfers), as follows: Office of the Secretary, -\$44,194; Office of Solicitor, +\$22,583; Office of Information, -\$114,024; and Bureau of Agricultural Economics, -\$56,570.

Item	:Appropriations: :and estimated : Budget		: Increase : (*) or : decrease (-)
	: supplementals: : for overtime, : 1944 a/	: estimates, 1945	
EXTENSION SERVICE - Cont.			
Salaries and expenses:			
Administration and coordina-			
tion of extension work	\$748,843:	\$748,843:	- -
Total	19,652,503:	19,397,503:	-\$255,000
AGRICULTURAL RESEARCH			
ADMINISTRATION:			
OFFICE OF ADMINISTRATOR:			
Salaries and expenses	118,771:	136,656:	+17,885
SPECIAL RESEARCH FUND	1,225,546:	1,226,364:	+818
OFFICE OF EXPERIMENT STATIONS:			
Payments to States:			
Hatch Act	720,000:	720,000:	- -
Adams Act	720,000:	720,000:	- -
Purnell Act	2,880,000:	2,880,000:	- -
Hawaii	90,000:	90,000:	- -
Alaska	37,500:	37,500:	- -
Puerto Rico	90,000:	90,000:	- -
Title I, Bankhead-Jones Act:	2,463,708:	2,400,000:	-63,708
Total, payments to States :	7,001,208:	6,937,500:	-63,708
Salaries and expenses:			
Administration and coordin-			
ation of research with			
States	176,169:	176,169:	- -
Federal experiment station,			
Puerto Rico	107,074:	107,074:	- -
Total, salaries and			
expenses	283,243:	283,243:	- -
Total	7,284,451:	7,220,743:	-63,708
BUREAU OF ANIMAL INDUSTRY			
(Salaries and expenses):			
General administrative			
expenses	\$195,379:	\$195,379	- -
Animal husbandry	899,500:	899,500:	- -
Diseases of animals	756,939:	756,939:	- -
Eradicating tuberculosis			
and Bang's disease	5,983,800:	5,777,191:	-206,609
Hog-cholera control	115,288:	115,440:	+152
Inspection and quarantine			
Meat inspection	1,013,925:	1,003,130:	-10,795
Virus Serum Toxin Act	8,617,066:	9,359,124:	+742,058
Total	264,815:	279,228:	+14,413
Total	17,846,712:	18,385,931:	+539,219

a/Figures adjusted on basis of appropriation set-up in the 1945 Budget estimates.

Item	Appropriations: and estimated supplementals for overtime 1944 a/	Budget estimates, 1945	Increase (+) or decrease (-)
AGRICULTURAL RESEARCH ADMIN- ISTRATION - Cont.			
BUREAU OF DAIRY INDUSTRY: (Salaries and expenses)	\$812,958:	\$812,958:	- -
BUREAU OF PLANT INDUSTRY, SOILS, AND AGRICULTURAL ENGINEERING (Salaries and expenses):			
General administrative expenses	225,000:	225,000:	- -
Agricultural engineering investigations	b/ 313,639:	293,639:	-\$20,000
Cereal crops and diseases	668,556:	645,596:	-22,960
Cotton and other fiber crops and diseases	467,140:	456,702:	-10,438
Drug and related plants ..	70,191:	70,308:	+117
Dry-land agriculture	257,563:	245,000:	-12,563
Forage crops and diseases	327,837:	327,837:	- -
Forest pathology	264,765:	255,300:	-9,465
Fruit and vegetable crops and diseases	1,504,428:	1,455,767:	-48,661
Irrigation agriculture ...	151,800:	145,000:	-6,800
National arboretum	42,900:	31,500:	-11,400
Plant exploration, intro- duction, and surveys	321,380:	290,000:	-31,380
Plant Industry Experiment Farm	56,900:	56,976:	+76
Soil and fertilizer in- vestigations	354,030:	346,791:	-7,239
Soil survey	174,451:	174,582:	+131
Sugar-plant investigations	395,540:	370,000:	-25,540
Tobacco investigations ...	131,020:	131,020:	- -
Total	5,727,140:	5,521,018:	-206,122
BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE:			
Salaries and expenses:			
General administrative expenses	160,720:	160,920:	+200
Fruit insects	456,630:	457,230:	+600
Japanese beetle control .	417,120:	400,000:	-17,120
Sweetpotato weevil control:	78,470:	78,670:	+200

a/ Figures adjusted on basis of appropriation set-up in the 1945 Budget estimates.

b/ Includes \$20,000 appropriated in a prior year, continued available in 1944 for completion of a water tower fire protection system at the U.S. Cotton Ginning Laboratory, Stoneville, Mississippi.

Item	Appropriations:		Budget estimates, 1945	Increase (*) or decrease (-)
	and estimated supplementals for overtime, 1944 a/			
AGRICULTURAL RESEARCH ADMIN- ISTRATION - Cont.				
BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE - Cont.				
Salaries and expenses - Con:				
Mexican fruitfly control	\$168,920:	\$169,820:		+\$900
Citrus canker eradication	11,300:	- -:		-11,300
Gypsy and browntail moth control	409,820:	409,320:		-500
Dutch elm disease eradi- cation	390,030:	300,000:		-90,030
Phony peach and peach mosaic eradication	99,340:	99,340:		- -
Forest insects	172,000:	172,000:		- -
Truck crop and garden insects	326,340:	326,340:		- -
Cereal and forage insects	402,870:	403,370:		+500
Barberry eradication	258,470:	258,470:		- -
Cotton insects	163,730:	163,730:		- -
Pink bollworm and Thurberia weevil control	735,860:	738,960:		+3,100
Bee culture	91,950:	85,000:		-6,950
Insects affecting man and animals	188,870:	175,000:		-13,870
Insect-pest survey and identification	151,550:	145,000:		-6,550
Foreign parasites	22,230:	20,000:		-2,230
Control investigations ..	76,485:	76,485:		- -
Insecticide and fungicide investigations	130,520:	130,520:		- -
Transit inspection	45,900:	45,900:		- -
Foreign plant quarantines	794,900:	797,700:		+2,800
Certification of exports	34,480:	34,480:		- -
Total, salaries and expenses	5,788,505:	5,648,255:		-140,250
Control of incipient and emergency outbreaks of insect pests and plant diseases	b/ - -:	2,700,000:		+2,700,000
Total	5,788,505:	8,348,255:		+2,559,750

a/ Figures adjusted on basis of appropriation set-up in the 1945 Budget estimates.

b/ Unobligated balance of \$3,311,122 of a 1943 supplemental appropriation (on a control year basis) is available for 1944.

Item	:Appropriations: :and estimated : :supplementals : :for overtime, : : 1944 a/ :	Budget estimates, 1945	: Increase : (+) or : decrease (-) :
AGRICULTURAL RESEARCH ADMIN- ISTRATION - Cont.	:	:	:
BUREAU OF AGRICULTURAL AND INDUSTRIAL CHEMISTRY	:	:	:
(Salaries and expenses):	:	:	:
General administrative	:	:	:
expenses	\$82,250:	\$82,250:	- -
Agricultural chemical in- vestigations	304,875:	294,875:	-10,000
Naval stores investigations:	115,100:	112,100:	-3,000
Regional research	:	:	:
laboratories	4,240,040:	4,244,600:	+4,560
Total	4,742,265:	4,733,825:	-8,440
BUREAU OF HUMAN NUTRITION AND HOME ECONOMICS	:	:	:
(Salaries and expenses) ..	516,384:	606,630:	+90,246
BELTSVILLE RESEARCH CENTER	116,560:	130,760:	+14,200
WHITE PINE BLISTER RUST CONTROL:	:	:	:
Bureau of Entomology and	:	:	:
Plant Quarantine	839,953:	840,953:	+1,000
Forest Service	1,219,900:	1,219,900:	- -
Department of the Interior ..	202,522:	203,173:	+651
Total	2,262,375:	2,264,026:	+1,651
FOREST SERVICE:	:	:	:
Salaries and expenses:	:	:	:
General administrative	:	:	:
expenses	651,290:	625,000:	-26,290
National forest protection and management	17,404,954:	17,729,426:	+324,472
Fighting forest fires	100,000:	100,000:	- -
Forest management	453,848:	453,848:	- -
Range investigations	288,475:	288,475:	- -
Forest products	1,077,519:	1,077,519:	- -
Forest survey	156,246:	156,246:	- -
Forest economics	85,404:	85,404:	- -
Forest influences	86,762:	86,762:	- -
Total, salaries and expenses	20,304,498:	20,602,680:	+298,182

a/ Figures adjusted on basis of appropriation set-up in the 1945 Budget estimates.

Item	Appropriations: and estimated : supplementals : for overtime, 1944 a/	Budget estimates, 1945	Increase (+) or decrease (-)
FOREST SERVICE - Cont.			
Forest fire cooperation	\$6,334,917:	\$5,000,000:	-\$1,334,917
Farm and other private forestry: cooperation	797,231:	781,466:	-15,765
Acquisition of lands for national forests	116,077:	75,000:	-41,077
Payments to States and terri- tories from the national forests fund	2,475,655:	2,475,655:	- -
Payments to school funds, Arizona and New Mexico, national forests fund	26,888:	26,888:	- -
Roads and trails for States, national forests fund	990,262:	990,262:	- -
Total	31,045,528:	29,951,951:	-1,093,577
FOREST ROADS AND TRAILS:			
Direct appropriation	3,249,168:	4,161,496:	+912,328
Reappropriation	1,241,555:	- -:	-1,241,555
Total	4,490,723:	4,161,496:	-329,227
EMERGENCY RUBBER PROJECT	13,048,000:b/	5,420,000:	-7,628,000
WAR FOOD ADMINISTRATION (Salaries and expenses)	26,906,020:	30,000,000:	+3,093,980
COMMODITY CREDIT CORPORATION: Administrative expenses from Corporation funds	[5,155,707]:	[5,760,526]:	[+604,819]
CONSERVATION AND USE OF AGRI- CULTURAL LAND RESOURCES	400,000,000:c/	250,000,000:	-150,000,000

a/ Figures adjusted on basis of appropriation set-up in the 1945 Budget estimates.

b/ Program in 1945 to be financed by reappropriation of \$5,420,000 of the unobligated balances of 1942 and 1943 appropriations.

c/ In addition, the Budget estimate provides for transfer to this appropriation item not to exceed \$40,000,000 of the funds appropriated under section 32 of the Act of August 24, 1935; includes \$25,000,000 for administrative expenses.

Item	: Appropriations:			:
	: and estimated :			: Budget :
	: supplementals :			: estimates, :
	: for overtime, :			: 1945 :
	: 1944 a/ :			: Increase :
				: (+) or :
				: decrease (-) :
PARITY PAYMENTS	b/	\$170,281,000	b/	- - - \$170,281,000
FEDERAL CROP INSURANCE ACT:				
Administrative and operating				
expenses	c/	3,500,000	c/	5,997,433: +2,497,433
SOIL CONSERVATION SERVICE:				
Soil conservation research ..		1,252,709:	1,225,000:	-27,709
Soil conservation operations ..		22,797,180:	31,275,000:	+8,477,820
Emergency erosion control,				
Everglades region, Florida ..		81,709:	72,248:	-9,461
Total		24,131,598:	32,572,248:	+8,440,650
LAND UTILIZATION AND RETIRE-				
MENT OF SUBMARGINAL LAND				
(TITLE III, FARM TENANT ACT) ..		1,308,875:	1,250,000:	-58,875
Payments to counties from				
submarginal land program ..		75,196:	112,100:	+36,904
EXPORTATION AND DOMESTIC CON-				
SUMPTION OF AGRICULTURAL COM-				
MODITIES (Permanent appropri-				
ation)		97,051,938:d/	117,000,000:	+19,948,062
SUGAR ACT	e/	63,883,060:	52,510,203:	-11,372,857

- a/ Figures adjusted on basis of appropriation set-up in the 1945 Budget estimates.
- b/ Appropriation in 1944 was to liquidate obligations incurred under the authorization therefor in the 1943 Act; the Budget does not contain an estimate for 1945, since the 1944 Act made no provision for further parity payments programs.
- c/ Appropriation in 1944 not available for any expenses connected with insurance of wheat and cotton planted subsequent to July 31, 1943, except for those necessary to liquidate insurance on such crops planted prior to that date; 1945 estimate provides for reinstatement of wheat and cotton insurance effective with the 1945 crop.
- d/ Represents estimate of 30% of customs receipts for the calendar year 1943, not to exceed \$40,000,000 of which is authorized (under the Budget estimate) for transfer to the appropriation "Conservation and use of agricultural land resources."
- e/ Includes \$9,000,000 to cover obligations incurred during 1943 pursuant to increased payment rates provided for by Public 386, 77th Congress.

Item	Appropriations:		Budget estimates, 1945	Increase (+) or decrease (-)
	and estimated supplementals for overtime, 1944 a/			
MARKETING SERVICE:				
Market news service	\$1,240,000:	\$1,241,375:		+\$1,375
Market inspection of farm products	546,679:	547,679:		+1,000
Marketing farm products	450,690:	451,500:		+810
Tobacco Inspection and Tobac- co Stocks and Standards Acts ..	932,582:	933,500:		+918
Perishable Agricultural Com- modities, Produce Agency and Standard Container Acts	208,578:	210,000:		+1,422
Cotton Statistics, Classing, Standards and Futures Acts .	1,210,783:	1,210,783:		- -
United States Grain Standards Act	860,999:	860,999:		- -
United States Warehouse Act .	533,717:	533,930:		+213
Federal Seed Act	93,750:	117,700:		+23,950
Packers and Stockyards Act ..	421,212:	418,700:		-2,512
Naval Stores Act	34,728:	34,728:		- -
Insecticide Act	192,906:	215,208:		+22,302
Commodity Exchange Act	348,581:	348,797:		+216
Freight rates for farm products	- -:	78,762:		+78,762
Total	7,075,205:	7,203,661:		+128,456
LOANS, GRANTS, AND RURAL REHABILITATION:				
Direct appropriation	b/ 30,786,285:	28,500,000:		-2,286,285
Loans (RFC funds)	b/[67,500,000]:	[97,500,000]:		[+30,000,000]
FARM TENANCY (TITLE I, FARM TENANT ACT):				
Salaries and expenses	1,514,996:	1,500,000:		-14,996
Loans (RFC funds)	[30,000,000]:	[15,000,000]:		[-15,000,000]
LIQUIDATION AND MANAGEMENT OF RESETTLEMENT PROJECTS (TITLE IV, FARM TENANT ACT)	481,752: c/	- -:		-481,752

a/ Figures adjusted on basis of appropriation set-up in the 1945 Budget estimate.

b/ Includes amounts provided in the First Supplemental National Defense Appropriation Act, 1944, as follows: Loans, grants, and rural rehabilitation, \$6,500,000, and Loans (RFC funds), \$7,500,000.

c/ Necessary liquidation and management expenses in 1945 for activities previously financed under this item will be financed from trust funds received for such purposes from such projects.

Item	Appropriations: and estimated supplementals for overtime, 1944 a/	Budget estimates, 1945	Increase (+) or decrease (-)
WATER FACILITIES, ARID AND SEMIARID AREAS	\$1,029,738:b/	- -	-\$1,029,738
FLOOD RESTORATION LOANS	c/ 15,000,000:c/	- -	-15,000,000
RURAL ELECTRIFICATION ADMINIS- TRATION:			
Administrative expenses	2,558,000:	2,550,000:	-8,000
Loans (Appropriated funds) ..	20,000,000:	20,000,000:	- -
Total	22,558,000:	22,550,000:	-8,000
FARM CREDIT ADMINISTRATION:			
Salaries and expenses:			
Direct appropriation	689,259:	626,321:	-62,938
Transfer from farmers' crop production and harvesting loans	[4,512,015]:	[4,459,480]:	[-52,535]
Amounts chargeable against activities administered by FCA	[3,389,459]:	[3,250,954]:	[-138,505]
Farmers' crop production and harvesting loans:			
Direct appropriation	4,907,273:	- -	-4,907,273
Reappropriation:			
Unobligated balances from prior years	10,386,331:	8,355,043:	-2,031,288
Estimated collections to be available	20,000,000:	20,000,000:	- -
Total	35,982,863:	28,981,364:	-7,001,499
FEDERAL FARM MORTGAGE CORPOR- ATION:			
Administrative expenses from Corporation funds	[7,822,000]:	[8,200,000]:	[+378,000]

a/ Figures adjusted on basis of appropriation set-up in the 1945 Budget estimates.

b/ Authority for servicing and making water facility loans is provided in the Budget estimate for the item "Loans, grants, and rural rehabilitation."

c/ Authority for the servicing and collecting of loans made during 1944 under this item, made available in the Second Deficiency Appropriation Act, 1943, is provided in the Budget estimate for the item "Loans, grants, and rural rehabilitation."

Item	Appropriations:		
	and estimated :	Budget	Increase
	supplementals :	estimates,	(+) or
	for overtime, :	1945	decrease (-)
	1944 a/ :		
TOTAL, APPROPRIATIONS AND			
REAPPROPRIATIONS	\$1,027,309,408:	\$696,786,131:	-\$330,523,277
DEDUCT REAPPROPRIATIONS IN-			
CLUDED IN FOREGOING:			
Farm Credit Administration,			
Farmers' crop production			
and harvesting loans:			
Unobligated balances from			
prior years	10,386,331:	8,355,043:	- 2,031,288
Estimated collections to			
be available	20,000,000:	20,000,000:	- -
Forest Roads and Trails	1,241,555:	- -:	-1,241,555
Emergency rubber project ...	- -:	5,420,000:	+5,420,000
Bureau of Plant Industry,			
Soils, and Agricultural			
Engineering	20,000:	- -:	-20,000
Total deductions, as above	31,647,886:	33,775,043:	+2,127,157
TOTAL, DIRECT APPROPRIATIONS .	995,661,522:	663,011,088:	-332,650,434
Administrative expenses autho-			
rized from Corporation funds, :			
and amounts chargeable against:			
activities administered by :			
FCA--listed above but not in-			
cluded in totals	16,367,166:	17,211,480:	+844,314
Borrowings authorized from			
RFC for loan activities--			
listed above but not included :			
in totals	97,500,000:	112,500,000:	-15,000,000

a/ Figures adjusted on basis of appropriation set-up in the 1945 Budget estimates.

TRUST FUNDS

Item	:Appropriations: :and estimated : :supplementals : : for overtime, : 1944 :	Budget estimates, 1945	: Increase : (+) or : decrease (-)
Cooperative work, Forest Service	\$2,000,000:	\$2,000,000:	- -
Agricultural Adjustment Agency::	:	:	
Moisture content and grade de-	:	:	
terminations for Commodity	:	:	
Credit Corporation	1,517,300:	1,350,000:	-\$167,300
Indemnity fund, county associ-	:	:	
ations	350:	350:	- -
Undistributed cotton price ad-	:	:	
justment payments	1,000:	1,000:	- -
Food Distribution Adminis-	:	:	
tration:	:	:	
Expenses and refunds, inspec-	:	:	
tion and grading of farm	:	:	
products	2,200,000;	2,200,000;	- -
Grading of agricultural com-	:	:	
modities for Commodity	:	:	
Credit Corporation	433,000:	250,000:	-183,000
Farm Security Administration:	:	:	
Payments in lieu of taxes and:	:	:	
for operation and mainten-	:	:	
ance of resettlement	:	:	
projects	783,400:	250,000:	-533,400
State rural rehabilitation	:	:	
corporation funds	5,000,000:	3,800,000:	-1,200,000
Liquidation of deposits, re-	:	:	
serve for maintenance and	:	:	
repair, lease and purchase	:	:	
agreements	4,000:	2,500:	-1,500
Liquidation of deposits,	:	:	
lease and purchase contracts:	125,000:	40,000:	-85,000
Return of excess deposits for	:	:	
reproduction of photographs,	:	:	
mosaics, and maps	1,000:	1,000:	- -
Miscellaneous contributed	:	:	
funds	250,000:	250,000:	- -
Unearned fees and other	:	:	
charges, unclaimed moneys,	:	:	
etc.	100:	100:	- -
Total, trust funds	12,315,150:	10,144,950:	-2,170,200

Prepared by: Office of Budget and Finance
Division of Estimates and Allotments
Estimates Section
January 20, 1944

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OFFICE OF THE SECRETARY

(a) Salaries and Expenses

Appropriation Act, 1944	\$1,498,184
Transfers, 1944, from other appropriations (as shown in detail below)	+222,746
Anticipated deficiency for overtime pay required by the War Overtime Pay Act of 1943	+239,854
Total anticipated available, 1944	1,960,784
Budget estimate, 1945:	
Direct appropriation	\$1,729,200
Transfers, 1945, from other appropriations (as shown in detail below)	187,390
Total available, Budget estimate, 1945	1,916,590
Net decrease in total available funds	<u>-44,194</u>

PROJECT STATEMENT

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
1. General administration (including offices of the Secretary, Under Secretary and Assistant Secretary	\$282,983	\$273,679	\$247,673	-\$26,006 (1)
2. Personnel administration and service (including divisions of classifica- tion, employment, train- ing, organization and personnel management, in- vestigations, and person- nel relations and safety)	534,246	575,696	572,724	-2,972 (2)
3. Budget and finance ad- ministration and service (including divisions of accounting, estimates and allotments, fiscal man- agement, purchase, sales and traffic, and bureau accounting service)	556,693	625,835	609,584	-16,251 (3)
4. General operations (in- cluding divisions of com- munications, real estate, administrative services, equipment and engineering services, motor transport, central supply, and photographic and dupli- cating services)	389,587	485,574	486,609	+1,035 (4)
Covered into Treasury in accordance with Public Law 674	12,800	-	-	-
Unobligated balance	143,849	-	-	-
Total available	1,920,158	1,960,784	1,916,590	-44,194

Project	: 1943	: 1944 (es-:1945 (es-:Increase or	:timed):timed): decrease
Continuing transfers from other appropriations:	:	:	:
"Special research fund, Department of Agriculture"	:-\$1,920:	-\$1,920:	- -:
"Salaries and expenses, War Food Administration"	:-8,400:	-154,992:	-\$126,000:
"Administrative expenses, Commodity Credit Corporation"	:-61,390:	-61,390:	-61,390:
"Flood control, general (transfer to Agriculture)"	:-59,360:	-934:	- -:
"Removal and reestablishment of Arlington Farm, Va. (transfer to Agriculture)"	:-25,500:	-3,510:	- -:
Transfers in estimates in past year: (as shown in Budget schedules):	:	:	:
From other appropriations	:-990,169:	- -:	- -:
To other appropriations	:+33,431:	- -:	- -:
Anticipated deficiency for overtime pay	:	- -:	-239,854:
Total estimate or appropriation	:806,850:	1,498,184:	1,729,200:

INCREASES OR DECREASES

The net decrease of \$44,194 in total funds available under this item for 1945 consists of:

- (1) A decrease of \$26,006 under the project for "General administration," made possible by the elimination of the Office of Land Use Coordination as a separate office and combining it with the immediate Office of the Secretary, and a general curtailment in expenses of the immediate Office of the Secretary.
- (2) A decrease of \$2,972 under the project for "Personnel administration and service," which will be met by a general curtailment of personnel activities at the Departmental level.
- (3) A decrease of \$16,251 under the project for "Budget and finance administration and service," \$3,510 of which is due to the completion of the removal and reestablishment of Arlington Farm, and \$12,741 of which will be effected by a general reduction of expenditures for personal services and general expenses.
- (4) An increase of \$1,035 under the project "General operations" for additional expenses in connection with the equipment conservation and utilization program. During the current fiscal year the Office of Plant and Operations has been able to finance the work required by this program within its total available funds including a transfer of \$32,010 from the appropriation "Salaries and expenses, War Food Administration." For 1945, it is proposed to finance the equipment conservation and utilization program by a requested increase of \$33,045 in the regular appropriation for Salaries and expenses, Office of the Secretary, offset by a decrease of \$32,010 in the proposed transfer from the War Food Administration.

The foregoing changes result, in part, from changes in transferred funds as shown in the project statement above and as further explained in the table shown on the following page.

Increases and Decreases by Sources of Funds

Source	Estimated Obligations		Increases or decreases	Distribution of increases and decreases, by projects				
	1944	1945		General administration	Personnel administration and service	Budget and finance administration	General operations	
Transfers from:								
Salaries and expenses, War								
Food Administration:								
Personnel administration and service	\$52,462	\$64,000	+\$11,538	-	+\$11,538	-	-	-
Budget and finance administration and service	58,520	50,000	-8,520	-	-	-	\$8,520	-
General operations	44,010	12,000	-32,010	-	-	-	-	\$32,010
Total, War Food Administration	154,992	126,000	-28,992	-	+\$11,538	-	-	-
Flood control, General	934	-	-934	-	-	-	-	-
Special research fund	1,920	-	-1,920	-	-	-	-	-
Removal and reestablishment of Arlington Farm	3,510	-	-3,510	-	-	-	-	-
Commodity Credit Corporation	61,390	61,390	-	-	-	-	-	-
Direct appropriation (including estimated requirements for overtime)	1,738,038	1,729,200	-8,838	-25,072	-14,510	-2,301	-	+33,045
Total	1,960,784	1,916,590	-44,194	-26,006	-2,972	-16,251	-	+1,035

CHANGE IN LANGUAGE

The estimates for 1945 propose the deletion of the third proviso of the language of this item, as follows (deleted matter enclosed in brackets):

[Provided further, That not to exceed \$25,000 of the appropriations available for salaries and expenses of officers and employees of the Department permanently stationed in foreign countries may be used for payment of allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U.S.C. 118a):]

This proviso authorizes the use of not to exceed \$25,000 from the several bureau appropriations applicable as allowances to officers and employees of the Department permanently stationed in foreign countries, for living quarters, including heat, fuel, and light, under the provisions of the Act of June 26, 1930 (5 U.S.C. 118a).

This deletion is made possible by the submission in Section 209 of the Independent Offices chapter of the Budget (page 114) of a general provision for the Government as a whole, similar to Section 304 of the First Supplemental National Defense Appropriation Act, 1944, relating to living quarters and other allowances of employees stationed in foreign countries. Section 209 as proposed in the Independent Offices Appropriation Bill is quoted below, and for convenience the provision therein which will be substituted for the language deletion proposed above has been underscored.

"Sec. 209. Appropriations of the executive departments and independent establishments for the fiscal year [1944] 1945, available for expenses of travel, are hereby made available (1) for allowances for living and quarters in accordance with Standardized Regulations prescribed by the President for civilian officers and employees of the Government temporarily stationed in foreign countries, and (2) for living quarters allowances in accordance with the Act of June 26, 1930 (5 U.S.C. 118a), and regulations prescribed thereunder, and cost of living allowances in accordance with the Act of February 23, 1931, as amended (22 U.S.C. 12), and regulations prescribed thereunder, for all civilian officers and employees of the Government permanently stationed in foreign countries: Provided, That the availability of appropriations of the Departments of War, Navy, and State, except the appropriation Cooperation with the American Republics, for any of the above-mentioned objects shall not be affected hereby."

The living quarters allowances for the fiscal year 1943 and estimated allowances for the fiscal years 1944 and 1945, by bureaus, are summarized in the following statement:

Bureau or Item	: Actual, : 1943	: Estimated, : 1944	: Estimated, : 1945
Bureau of Entomology and Plant Quarantine	\$7,200:	\$9,960:	\$10,200
Bureau of Plant Industry, Soils, and Agricultural Engineering	- -:	2,400:	2,400
Commodity Credit Corporation	1,500:	750:	- -
Food Distribution Administration	800:	1,000:	1,000
Departmental reserve authority for contingencies	15,500:	10,890:	a/
Total	25,000:	25,000:	a/

a/ No amounts shown, in view of the deletion of the \$25,000 authorization from the language of the appropriation, as explained above.

A detailed schedule of actual 1943 and estimated 1944 and 1945 allowances is shown on the next page.

SCHEDULE OF ALLOWANCES FOR LIVING QUARTERS, HEAT AND LIGHT OF EMPLOYEES PERMANENTLY STATIONED ABROAD
(ACT OF JUNE 26, 1930)

Appropriation item	Title of position	Post of duty	Classification	Domestic	Group	Salary	Allowances		
							Actual	Estimated	
							1943	1944	1945
<u>Bureau of Entomology and Plant Quarantine:</u>									
Salaries and expenses:									
Fruit insects	Prin. Entomologist	Mexico City, Mexico	V	M	2	\$6,200	\$720	\$720	\$720
"	Sr.	"	V	M	3	5,000	720	720	720
"	Assoc.	"	V	M	3	3,400	720	720	720
"	"	"	V	M	3	3,400	660	720	720
"	Chemist	"	V	M	3	3,800	720	720	720
"	Asst. Entomologist	"	V	M	3	2,800	720	720	720
"	Jr.	"	V	M	3	2,200	720	720	720
Pink bollworm and Thurberia weevil	Specialist in pink bollworm	Torreón, Mexico	I	M	3	6,200	-	900	900
"	Agent (Assoc. PQI)	"	I	M	3	3,200	-	720	720
"	Agent	"	I	S	3	2,600	-	367	420
"	Clerk-Stenographer	"	I	S	4	2,300	-	238	300
"	Agent	Monterrey, Mexico	II	S	3	2,300	-	475	600
Foreign parasites	Sr. Entomologist	Montevideo, Uruguay	V	M	2	4,800	1,200	1,200	1,200
"	Assoc.	"	V	M	3	3,400	1,020	1,020	1,020
Total, Bureau of Entomology and Plant Quarantine							7,200	9,960	10,200
<u>Commodity Credit Corporation:</u>									
Administrative expenses	Prin. Marketing Specialist	Rio de Janeiro, Brazil	V	M	2	5,600	1,500	750	-
<u>Bureau of Plant Industry, Soils, and Agricultural Engineering:</u>									
Emergency rubber project	Agent (Agriculturist)	Torreón, Mexico	I	M	2	3,800	-	600	600
"	Agt. (Assoc. Plant Physiologist)	"	I	M	2	3,800	-	600	600
"	Agt. (Asst. Agron.)	Saltillo, Mexico	I	M	3	2,600	-	600	600
Misc. con. funds (trust)	Agt. (Asst. Botanist)	Torreón, Mexico	I	M	2	2,800	-	600	600
Total, Bureau of Plant Industry, Soils, and Agricultural Engineering							-	2,400	2,400
<u>Food Distribution Administration:</u>									
Defense aid, admin. expenses:	Sr. Admin. Officer	London, England	V	S	3	4,600	800	1,000	1,000
Total, Department of Agriculture							9,500	14,110	13,600

Statement of Overtime Costs

	: 1943	: Est. 1944	: Est. 1945
Direct appropriation:	:	:	:
Amount absorbed	: *75,000:	- -:	- -
Additional funds for overtime (appropriated, 1943, estimated supplemental, 1944; and included in Budget estimate, 1945)	: 90,000:	239,854:	237,135
Total cost (direct appropriation)	: 165,000:	239,854:	237,135
Transfers from other appropriations:	:	:	:
Amount absorbed	: 994:	- -:	- -
Additional funds for overtime (transferred, 1943, to be transferred, 1944 and 1945) ..	: - -:	24,109:	19,967
Total cost (transferred funds)	: 994:	24,109:	19,967
Total cost of overtime as shown in Budget schedules (7 months in 1943)	: 165,994:	263,963:	257,102

* Difference between overtime cost and supplemental appropriation.

WORK UNDER THIS APPROPRIATION

The staff offices financed under this appropriation exercise general supervision over the personnel, fiscal, housing, and other operational services of the Department, coordinate and integrate the programs of the various bureaus and render central administrative services to the Department as a whole. These offices are financed primarily by the appropriation "Salaries and expenses, Office of the Secretary," which fund is augmented by several transfers, as shown in the Budget schedules, from funds which it was not possible to consolidate with the 1944 direct appropriation (such as CCC corporate funds, flood control etc.), as was explained to the Committee last year, and transfer from the appropriation, "Salaries and expenses, War Food Administration" to cover administrative services arising out of the work of the War Food Administration.

Supervision and control of the Department's activities is necessary, including the recruiting and training of personnel to execute its many complex functions, the securing of and proper accounting for funds to insure economical and efficient program execution, the maintenance of communication services, the adequate housing of activities, the conservation and proper utilization of equipment, and the efficient, economical, and business-like administration of the affairs of the Department.

These activities are organized into the following groups:

(1) General administration: This item includes the immediate Offices of the Secretary, Under Secretary, and Assistant Secretary, and their respective executive and clerical staffs.

The Budget estimates for 1945 provide for the integration with the Secretary's executive staff of certain personnel of the Office of Land Use Coordination. The Office of Land Use Coordination, which heretofore has

functioned as a separate organization unit in the Office of the Secretary, was abolished as of January 1, 1944 and its functions transferred to the immediate office of the Secretary. Aside from effecting substantial operating economies, it is anticipated that this transition will result in increased efficiency in the performance of the functions of the office and will provide the Secretary with first-hand advice and technical assistance of experts trained in dealing with specialized inter-departmental and Federal-State land programs and policies.

The paramount objective of winning the war dominates the administration of all activities of the Department. Problems arising from the war have greatly complicated the job of exercising effective Departmental administration and of coping with war-created situations which transcend the functions and responsibilities of any single bureau of the Department.

Executive Order No. 9334, dated April 19, 1943, established the War Food Administration within the Department of Agriculture. Under this order the general staff services of the Department of Agriculture have been made available for the full use of the War Food Administration, thus avoiding the necessity for establishing duplicate services.

In addition to the general collaboration between the immediate office of the Secretary and the War Food Administration, the responsibilities of the immediate office of the Secretary have been increased through the designation of the Assistant Secretary as First Assistant War Food Administrator.

Planning for the post-war period is second in importance only to war activity itself. Post-war problems are multiplying as the prosecution of the war progresses. In the work of gearing Agriculture to the post-war period, the Department is taking a leading part. The offices of the Secretary, Under Secretary, and Assistant Secretary are actively concerned with the operating problems occasioned by the war and the effectuation of plans whereby agriculture may meet the problems of transition from a wartime to a peacetime basis.

Nationally, intensive work is under way through an Interbureau Postwar Committee. On the international front, the Undersecretary has been designated by the President as the American delegate on the United Nations Interim Commission of Food and Agriculture.

(2) Personnel Administration and Service: The Office of Personnel directs a Department-wide system of personnel administration through the maintenance of six subject matter Divisions which deal directly with administrations, bureaus, and offices in the Department, especially through their personnel organizations. The Divisions in the Office of Personnel which perform this service are: Organization and Personnel Management, Classification, Employment, Training, Personnel Relations and Safety, and Investigations. During the past year, the Office of Personnel has endeavored to provide adequate personnel services for the Department of Agriculture

and for the War Food Administration on the basis of what is deemed to be minimum safeguards for the protection of the Secretary and the War Food Administrator with respect to the responsibility of these officials for the proper conduct of personnel work.

As was the case to a lesser degree during the fiscal year 1942, the past year has witnessed significant changes in personnel work in the Federal Government, which have required an increase in the activities of Federal personnel offices. The changes have been due to the necessity of meeting the government's manpower problem, and of bringing its personnel policy into line with national needs in time of war. Under the circumstances, the Civil Service Commission has been compelled to issue new rules, regulations and procedures and to amend many of those in existence with a view to compliance with War Manpower Commission directives, to meeting Congressional mandates, and to achieving increased decentralization of its activities. The Department has been affected accordingly, and the Office of Personnel has been obliged to assume its responsibility for leadership in the field of personnel administration under increasingly difficult circumstances, such as the loss of experienced personnel and large-scale reorganizations within the Department.

Two of the more important laws administered in the Department of Agriculture by the Office of Personnel are the Classification Act of 1923, as amended, and the Civil Service Act of 1883. Under the former, and under Executive Order 6746, all positions in the Department are subject to proper allocation, with the exception of those excluded by the Act itself. The Office of Personnel is continuing its work on improvements in the method of securing the allocation of these positions promptly, with a minimum of duplication of work. In cooperation with the Civil Service Commission, the Office of Personnel has undertaken to expedite the recruitment and placement processes under the Civil Service Act and Rules, but in accordance with the employment stabilization programs of the War Manpower Commission.

Some of the items which increased the supervisory activities of the Office of Personnel during the past year, and which it is presumed will have to be continued in addition to the responsibilities the office has had in previous years by law or executive order are as follows:

- (a) Executive Order No. 9243, dated September 12, 1942 providing for the transfer and release of Federal personnel, and the War Manpower Commission Directive issued thereunder.
- (b) Executive Order No. 9250, dated October 3, 1942 regarding wage and salary stabilization in the case of wages and salaries such as are not fixed in accordance with the Classification Act of 1923, as amended.
- (c) Public Law 821, 77th Congress, approved December 22, 1942, and Public Law 49, 78th Congress, approved May 7, 1943 and the executive orders and rules issued pursuant thereto on the subject of overtime compensation, hours of duty, and personnel ceilings.

(d) Executive Order No. 9309, dated March 5, 1943 regarding the control of government requests for the Selective Service deferment of Federal employees.

(e) Special Regulations for the Separation of Employees by Reason of Bureau of the Budget Letter dated March 24, 1943 (relating to separations due to reductions in force pursuant to personnel ceiling determinations under the war overtime pay statutes).

(f) Civil Service Departmental Circular No. 257, Revision 2, dated April 13, 1943, regarding authority, procedure, and standards for changes in status of employees within executive departments.

(g) Special reports to Congressional Committees such as the Joint Committee on Reduction of Nonessential Federal Expenditures, the House Committee on the Civil Service, and the House Committee on Military Affairs.

The Office of Personnel has attempted to solve the problem of how to discharge effectively its increased supervisory responsibilities with a smaller staff less qualified for the work involved than in former years by continuing its effort to delegate still further the appointing power, and to decentralize to a greater extent the employment and classification functions so as to permit appointments and other personnel actions to be safely made as close as possible to the spot where the work is to be done. Also, the Office of Personnel has decentralized some of its former work activities, such as the processing of a large percentage of personnel actions, to administrations, bureaus and offices, subject to a post-audit. However, this results in a situation which makes it all the more necessary that the Office of Personnel make provision for the auditing of the various personnel systems which are now in operation under delegated authority or by decentralization. It would obviously be a mistake to delegate authority and to decentralize activities and then cast them entirely loose from any systematic supervision or control, even by means of post-audit.

In peace or war one of the major essentials of the Department's success in the administration of its programs has been proper organization and personnel management at all levels of administration. The Office of Personnel during the past year engaged in the most active work of this sort in its history, incident to the Executive Order of December 1942, which established the Food Production Administration and the Food Distribution Administration, and of April 1943, which established the War Food Administration. These changes are directly reflected in the Office of Personnel's increase in workload as reorganizations were processed which involved 180 branches, divisions, sections, and offices throughout the Department. A corresponding increase in position classification work resulted from this, but due to the Office of Personnel's advocacy and use of class specifications and standard position descriptions, the necessary flow of work has been maintained.

The increase of 11 percent in turn-over rate (current rate is 46 percent) caused by the entry of Department employees into the armed forces and by their transfer to other war-important assignments brings to focus the emphasis which must now be placed on replacement training, and the improvement of supervision through work improvement programs. In the field of personnel relations, there has been an increase in the number of grievance cases coming to the Office of Personnel. There were 128 such cases which had to be dealt with through Department grievance procedure in fiscal year 1943, as compared with 62 in fiscal year 1942. In the field of personnel and special investigations, and disciplinary work, there was also an increase in workload over the fiscal year 1942, occasioned by the current abnormal employment situation in the United States. Despite manpower shortages and administrative perplexities caused by the Nation's being at war, the Office of Personnel is making every effort to contribute to the expeditious effectuation of broad agricultural programs with a minimum of duplicated effort and a maximum utilization of available personnel throughout the entire Department.

(3) Budgetary and Financial Administration and Service: The Office of Budget and Finance exercises general supervision over the budgetary and financial affairs of the Department, including the preparation, coordination, evaluation and revision of budget estimates; the acquisition, allotment and apportionment of funds; and the accounting, auditing, fiscal management, purchasing, warehousing, and related activities involved in the financial management of the Department. The Office acts as advisor to the Secretary of Agriculture and the War Food Administrator; formulates and promulgates departmental budgetary and financial policies and procedures; reviews the budgetary and financial aspects of program proposals, changes in the Department's regulations, etc., as they arise during the year; and, under delegations of authority from the Secretary and the War Food Administrator, approves certain types of fiscal transactions, allotments, authorizations, requisitions for disbursing funds, etc. In cooperation with the other staff offices and with the program agencies, the Office develops improvements, in the interest of economy and efficiency, in the management and operations of the Department's activities. The Office is called upon to assist in the solution of a continuous flow of administrative and fiscal problems, each needing analysis and decision and also requiring close collaboration with the officials of the program agencies. A budgetary project system is maintained covering all activities of the Department.

The Office represents the Department on budgetary, fiscal, purchasing and related matters and acts as the central point of contact with the Budget Bureau, the General Accounting Office, the Treasury Department, the Congressional Committees on Appropriations and other agencies concerned with the finances of the Department. Numerous reports concerning the work and finances of the Department are rendered in response to requests from the Budget Bureau, Congressional Committees, Members of Congress, other governmental agencies and outside organizations and individuals. The Office also performs budgetary, fiscal, accounting and auditing services for certain agencies in the Department, where such functions can be rendered more advantageously or economically at a central point.

The type of work performed by this Office is of a continuing nature, arising out of the activities of the Department, and the over-all budget and fiscal requirements of the Government. During the past year the process of adapting the Department to the constantly developing needs of the war has increased the scope and volume of work for which the Office is responsible, including budgetary, financial and related problems arising out of the establishment and development of the War Food Administration, the introduction of new programs such as the supply and distribution of farm labor, the allocation of strategic and critical materials, and the continuation of important special war programs such as lend-lease, emergency rubber, etc. Also, many new budgetary and fiscal complications have arisen in administering the withholding tax, the overtime pay provisions, manpower ceilings, the bond purchase programs, and similar items, for which new authorities, methods of operation, patterns of budgeting, accounting, reporting, functional arrangements, etc., have had to be developed.

The Office operates through four functional divisions: (a) The Division of Estimates and Allotments, which includes the following sections: Estimates, Allotments and Apportionments, Budgetary Reports and Statistics, Legislative Reports and Service, and Special Projects; (b) the Division of Accounting, which included the following sections: Departmental Accounts, Bureau Accounting Service, Fiscal Examining, and Claims and Authorizations; (c) the Division of Purchase, Sales and Traffic, which includes a Management Section and a Contract Section; (d) the Division of Fiscal Management--and through a small staff of budget and fiscal examiners who maintain day-to-day contact with the work and expenditures of the operating, or program, agencies of the Department.

To summarize, the general objective of the Office is to see that budgetary and fiscal administration is maintained throughout the Department in such a way as to render every assistance possible in the general management of the Department and in each of its organizational units, particularly with respect to certain matters which are of primary concern to every administrator, such as the following:

(a) Planning the program of work (the budget-building process--formulation and preparation of the estimates, evaluating requests for funds, determining the elements to comprise the budget program and the amounts necessary for each, etc.)

(b) Financing the program of work (justifying the estimates before the Budget Bureau and the Congressional Appropriation Committees; dealing with the Treasury Department and the General Accounting Office with respect to the warrant procedure and the requisitioning of cash; arranging for special forms of financing as authorized for loans, corporation activities; the allotment of funds, etc.)

(c) Assuring effective and economical program execution (financial and expenditure reporting and control, through allotments, apportionments, etc., and developing improved procedures, management methods, efficiency and economy measures, grouping of functions, etc.)

(d) Accounting for the proper expenditure of public funds (assuring that funds are expended in accordance with applicable governmental requirements and for the purposes for which they are made available, detailed expenditure control through the auditing and accounting processes, etc.)

(e) Measuring, evaluating and reporting upon the effectiveness of the program of work in the light of past, current, and proposed expenditures (budgetary evaluations and justifications, activity and financial reporting, development of measurable work standards and similar criteria, etc.)

(4) General Operations: The Office of Plant and Operations is responsible for the conservation and utilization of Department equipment and in this connection serves as liaison with the Bureau of the Budget and the Procurement Division of the Treasury Department. It administers the mileage administration and certificate of war necessity programs; coordinates the war mapping work assigned to the Department; and is responsible for the housing of Department activities in both Washington and the field; the Department's communication services; the operation of the central storeroom and supply service; the centralized photographic and duplicating service; and administrative service functions for the Office of the Secretary.

During the present year, all activities of the Office of Plant and Operations have continued to reflect the accelerated pace dictated by the war. The application of Executive Order 9235 and related regulations has resulted in a tremendous intensification of the property utilization and conservation program. Through the establishment of area committees at strategic points, steady progress has been made in the solution of property utilization and conservation problems which arise from wartime needs and purchasing restrictions. This program is now under way on a Nation-wide basis and promises to result in manifold operational benefits to the Department in its furtherance of the food program and other war activities.

Problems relating to automotive transportation are the subject of administrative consideration by a number of war agencies and are brought to the concern of this Department through the medium of the mileage administration and certificate of war necessity programs administered in the Department of Agriculture by the Office of Plant and Operations. Mileage budgets now in effect reflect reductions below the 1941 figure, as required by the President in his message to the heads of departments and executive establishments. These reductions are being sustained to a considerable extent by cooperative automotive travel wherever possible. The Office of Price Administration has intensified the automotive transportation conservation program through studies, in which the Department has participated, in various cities, and we are further assisting them by greater efforts to intensify our intradepartmental official cooperative driving program.

The problem of housing the Department's activities, both in the District of Columbia and in the field, continues to be an increasing one. The constant need for progressive changes in the Department's organization to meet the fast-changing war picture has accentuated the problem of re-alignment and shifting of office quarters. The competitive demands for space at field locations by various war agencies of the Government have required adjustments including, at times, complete evacuation of quarters to provide for the more important war need. As these increased demands result in diminishing space facilities, the Department's housing problems become more acute. These problems have taxed to the utmost the facilities of the real estate and housing personnel of the Office of Plant and Operations.

In the field of war mapping, the War and Navy Departments are continuing their use of the Department's photographic and cartographic facilities. The Office of Plant and Operations has continued to function as the liaison and coordinating medium through which all war mapping work assigned to the Department of Agriculture by the War and Navy Departments is channeled to those agencies in the Department equipped to perform cartographic and photographic work. By this means, facilities of the Department are kept fully utilized for war mapping and the mapping assignments are properly dispersed to insure the smooth and rapid flow of this vitally important war work.

(b) Working Capital Fund, Department of Agriculture

Regular appropriation, 1944	\$400,000
Budget estimate, 1945	- -
Decrease	<u><u>-400,000</u></u>

DECREASE

The working capital fund is "a "no-year" operating fund of \$400,000 established in the 1944 Appropriation Act to pay the operating costs of certain centralized service organizations pending the receipt of reimbursements for such costs from the serviced bureaus and agencies. The integrity of the original appropriation is maintained from year to year by means of these reimbursements, and an appropriation in 1945 is, therefore, unnecessary.

A separate schedule of expenditures and reimbursements and a statement of current assets and liabilities of the working capital fund as of the close of the last completed fiscal year will be shown in the annual Budget, starting with the Budget for the fiscal year 1946 in which the financial situation for the first complete fiscal year of the operation of the fund (1944) will be shown.

CHANGE IN LANGUAGE

The Budget proposes the deletion of the language of this item (deleted matter enclosed with brackets):

[Working Capital Fund]

[For the establishment of a working capital fund, \$400,000, without fiscal year limitation, for the payment of salaries and other expenses necessary to the maintenance and operation of (1) central duplicating, photographic, and tabulating services, (2) a central motor-transport service for the maintenance, repair, and operation of motor-transport vehicles and other equipment, (3) a central supply service for the purchase, storage, handling, issuance, packing, or shipping of stationery, supplies, equipment, blank forms, and miscellaneous materials, for which stocks thereof, not to exceed \$200,000 in value (except for the value of blank forms) at the close of any fiscal year, may be maintained sufficient to meet, in whole or in part, requirements of the bureaus and offices of the Department in the city of Washington and elsewhere, and (4) such other services as the Secretary, with the approval of the Director of the Bureau of the Budget, determines may be performed more advantageously as central services; said fund to be reimbursed from applicable funds of bureaus, offices, and agencies for which services are performed on the basis of rates which shall include estimated or actual charges for personal services, materials, equipment (including maintenance, repairs, and depreciation) and other expenses: Provided, That such central services shall, to the fullest extent practicable, be used to make unnecessary the maintenance of separate like services in the bureaus, offices, and agencies of the department: Provided further, That a separate schedule of expenditures and reimbursements, and a statement of the current assets and liabilities of the working capital fund as of the close of the last completed fiscal year, shall be included in the annual Budget.]

Since no appropriation is required for 1945 for this fund, as explained above, the language of the entire item is deleted in the Budget for 1945.

Statement of Overtime Costs

	: 1943	: Est. 1944	: Est. 1945
Overtime absorbed	- -	\$77,215	\$77,215
Additional funds for overtime (appropriated, 1943, estimated supplemental, 1944; and included in budget estimate, 1945)	- -	- -	- -
Total cost of overtime	- -	77,215	77,215

(c) Working Funds, (Office of Secretary of Agriculture)

This budget schedule covers obligations under advances pursuant to Section 601 of the Economy Act of June 30, 1932, from the War Department for expenses of coordinating and supervising strategic area map production work performed by various agencies of this Department for the War Department.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS

Item	: Obligations, 1943	: Estimated obligations, 1944	: Estimated obligations, 1945
Working Fund (Office of the Secretary)	:	:	:
Advance from War Department: For coordination and supervision of strategic area map production	: \$11,355:	: \$6,458:	: - -
Supply and Distribution of Farm Labor:	:	:	:
Accounting services for certain allotments of farm labor program funds 1/	: - -:	: 8,000:	: - -
Total, obligations under supplemental funds	: 11,355:	: 14,458:	: - -

1/ Allotment from funds appropriated by Public Law 45 for this program for the calendar year 1943 has recently been extended to January 31, 1944. An appropriation estimate (House Document 346) for the calendar year 1944 for the program has been submitted to the Congress.

PASSENGER-CARRYING VEHICLES

It is not anticipated that any passenger-carrying vehicles will be purchased by the Office of the Secretary during the fiscal year 1945.

OFFICE OF SOLICITOR

(a) Salaries and Expenses

Appropriation Act, 1944.....	\$ 1,679,105
Transfers, 1944, from other appropriations (as shown in detail below).....	+ 309,044
Proposed transfer in 1945 estimates to "Marketing Service, Food Distribution Administration," Perishable Agricultural Commodities, Produce Agency, and Standard Container Acts (for providing contractual reporting services).....	- 4,000
Anticipated deficiency for overtime pay required by the War Overtime Pay Act of 1943.....	+ 289,100
Total anticipated available, 1944.....	<u>2,273,249</u>
Budget estimate, 1945:	
Direct appropriation.....	\$1,955,832
Transfers, 1945, from other appropriations (as shown in detail below)	<u>340,000</u>
Total available, budget estimate, 1945.....	<u>2,295,832</u>
Net increase in total available funds.....	<u>+ 22,583</u>

PROJECT STATEMENT

Project	1943	1944	1945	Increase or Decrease
		(estimated)	(estimated)	
1. Food distribution programs.....	\$ 211,739	\$ 312,311	\$ 331,811	\$+ 19,500 (1)
2. Food production and commodity credit programs....	275,514	311,509	323,252	+ 11,743 (2)
3. Rural electrification programs.....	306,229	330,417	330,417	—
4. Farm credit programs....	149,874	164,741	164,741	—
5. Forestry, research and general legal programs....	202,611	204,163	198,553	- 5,610 (3)
6. General administration and business functions....	197,284	238,041	238,041	—
7. Field activities.....	614,628	712,067	709,017	- 3,050 (4)
Covered into Treasury in accordance with Public Law 674.....	5,055	- -	- -	- -
Unobligated balance.....	15,217	- -	- -	- -
Total available.....	<u>1,978,151</u>	<u>2,273,249</u>	<u>2,295,832</u>	<u>+ 22,583</u>
Continuing transfers from other appropriations:				
"Administrative expenses, Commodity Credit Corporation".....	- 38,755	- 75,000	- 75,000	

Project	1943	1944 (estimated)	1945 (estimated)	Increase or Decrease
"Water conservation and utilization projects, Farm Security Administration".....	-\$ 28,548	-\$ 12,500	—	
"Special deposit account, Federal Surplus Commodities Corporation (Northeastern Timber Salvage Administration)"	- 8,820	- 2,700	—	
"Emergency Rubber Project, Department of Agriculture".....	- 12,000	- 25,000	- 25,000	
"Salaries and expenses, War Food Administration"	- 8,500	- 193,844	- 240,000	
Transfers from other appropriations (as shown in Budget schedules).....	-1,694,328	—	—	
Transfers in estimates to other appropriations (as shown in Budget schedules)	+22,800	+ 4,000	—	
Anticipated deficiency for overtime pay.....	—	- 289,100	—	
Total estimate or appropriation.....	210,000	1,679,105	1,955,832	

INCREASES OR DECREASES

By projects, the net increase of \$22,583 consists of:

(1) An increase of \$19,500 (including \$3,135 for overtime pay) under the project "Food distribution programs" for legal services related to the food distribution programs of the War Food Administration.

Objective: To provide additional legal services incident to the food distribution programs.

Plan of Work: The legal work incident to the food distribution programs has steadily increased since issuance of Executive Order 9280 in December 1942, and it is anticipated that in fiscal year 1945 the work will continue to increase due to the proposed plans of the War Food Administration involving food orders and regulations, requisitioning, and compliance and enforcement activities on a larger scale than heretofore. The allocation and priorities power, vested in the War Food Administrator is exercised largely through the preparation of food orders and regulations. Many of these orders have been amended several times and, in connection with some of them, numerous supplemental orders have been issued. In

each case, the order in question has been drafted by attorneys of the Solicitor after consultations with officials of the War Food Administration. In addition, it is necessary to prepare numerous interpretations of the orders and to review many communications which are prepared by the Administration in connection therewith. It is anticipated, in view of the request for increased funds by the War Food Administration, that this aspect of the work of this Office will increase materially, which will necessitate assignment to this work of additional personnel in the Washington Office of the Solicitor, since the attorneys now working on these matters are already employed to their full capacity.

Requisitioning proceedings carried on under the allocation power also are handled, and forms are prepared and reviewed in connection with all such proceedings. Attorneys ordinarily accompany persons serving the papers in requisitioning proceedings and consult with and advise those persons in connection with carrying out their duties. More than 100 such proceedings have been instituted and carried on up to the present time, and it is probable that this activity will also be increased in the future.

General supervisory control of compliance and enforcement is exercised in the Washington Office, and attorneys prepare suspension orders and other documents for the signature of the War Food Administrator, prepare memoranda and legal opinions dealing with enforcement problems, and review the records made in administrative proceedings in the field.

It is anticipated that work in connection with compliance and enforcement will materially increase. With the development of the compliance organization within the War Food Administration, many more cases will be investigated, and, consequently, many administrative and judicial proceedings will be instituted. With respect to this activity also, existing personnel is working at capacity, and it will be necessary to increase the staff in order to take care of the anticipated increase in the volume of work.

(2) A net increase of \$11,743 under the project "Food production and commodity credit programs," composed of:

(a) An increase of \$14,653 (including \$2,491 for overtime pay) for the wage stabilization programs of the War Food Administration.

Objective: To provide additional legal services incident to the program for the stabilization of wages and salaries of agricultural labor.

Plan of Work: The wage stabilization program will demand the aid of the members of the Solicitor's Office in Washington in the preparation of regulations, both general and specific. It is expected that specific regulations will be issued relating to practically every type of seasonal agricultural employment throughout the entire United States, on an area basis. Legal work will be necessary in interpreting the basic law, in drafting the regulations, and in handling the various legal problems arising in the administration of the regulations.

Correspondence with employers and employees, most of which will involve legal problems, will need to be prepared or reviewed by this office. Many conferences will have to be held, both with the administrative personnel of the War Food Administration relating to all phases of the program, with legal and administrative personnel of the Office of Economic Stabilization, which formulate the over-all policy for the program, and with the staffs of the Commissioner of Internal Revenue and the National War Labor Board, which administer other phases of the general wage and salary stabilization program. Attorneys of the Office will be required to devote much time to the enforcement of the program, which will involve such functions as making recommendations, attending hearings, examining transcripts, preparing necessary legal documents, and referring appropriate cases to the Department of Justice.

(b) A decrease of \$2,910 (including \$452 relating to overtime pay) due to curtailment of work on water conservation and utilization projects of the Farm Security Administration.

(3) A decrease of \$5,610 under the project "Forestry, research and general legal services" composed of:

(a) A decrease of \$2,700 due to curtailment of the Northeastern Timber Salvage Administration program.

(b) A decrease of \$2,910 (including \$452 relating to overtime pay) due to curtailment of work on water conservation and utilization projects of the Farm Security Administration.

(4) A net decrease of \$3,050 under the project "Field activities" composed of:

(a) An increase of \$12,003 (including \$2,040 for overtime pay) for the wage stabilization programs of the War Food Administration.

It will be necessary to provide additional legal services in the field incident to the program for the stabilization of wages and salaries of agricultural labor.

The wage stabilization program will require legal work in interpreting the basic law and in assisting State USDA Wage Boards, which administer specific regulations in areas in the field.

(b) A decrease of \$6,680 (including \$1,038 relating to overtime pay) due to curtailment of work on water conservation and utilization projects of the Farm Security Administration.

(c) A general decrease of \$8,373 in estimated overtime costs under this project, not related to the foregoing decreases and increases.

Statement of Overtime Costs

	: 1943	: Est. 1944	: Est. 1945
Direct appropriation:	:	:	:
Amount absorbed	: \$129,066:	- -:	- -
Additional funds for overtime (appro-	:	:	:
priated, 1943, estimated supplemental	:	:	:
1944; and included in budget estimate,	:	:	:
1945)	: - -:	\$289,100:	\$280,727
Total cost (direct appropriation)	: 129,066:	289,100:	280,727
Transfers from other appropriations:	:	:	:
Amount absorbed	: 1,033:	- -:	- -
Additional funds for overtime (transferred:	:	:	:
1943; to be transferred, 1944 and 1945):	: - -:	18,844:	24,148
Total cost (transferred funds)	: 1,033:	18,844:	24,148
Total cost of overtime as shown in budget	:	:	:
schedules (7 months in 1943)	: 130,099:	307,944:	304,875

Increases and Decreases, by Sources of Funds

Source	: Estimated Obligations :		: Increases and Decreases :		: Distribution of Increases and Decreases, by Projects :			
	1944	1945	Decreases	and	Food distribution programs	Food production	Forestry, and : Field	
							research, and : Activities	
							: Credit : general : legal programs :	
Transfers from:								
Salaries and expenses,								
War Food Administration.	193,844	240,000	+46,156		+19,500	+14,653	+12,003	
Water conservation and								
utilization projects....	12,500	--	-12,500		--	-2,910	+6,680	
Federal Surplus Com-								
modities Corp. (North-								
eastern Timber Salvage								
Administration).....	2,700	--	-2,700		--	-2,700		
Commodity Credit Corp-								
oration.....	75,000	75,000	--		--	--	--	
Emergency Rubber								
Project.....	25,000	25,000	--		--	--	--	
Direct appropriation								
(including estimated								
supplemental for over-								
time, 1944).....	1,964,205	1,955,832	-8,373		--	--	-8,373	
Totals	2,273,249	2,295,832	+22,583		+19,500	+11,743	-3,050	

WORK UNDER THIS APPROPRIATION

Objective: To advise the Secretary, the War Food Administrator, and other administrative officials of the Department, including the War Food Administration, on legal problems arising in connection with all phases of their duties, pursuant to a Congressional enactment in 1910 providing that "the legal work of the Department of Agriculture shall be performed under the supervision and direction of the Solicitor."

Significance: The Department of Agriculture and the War Food Administration have been made responsible for carrying out the Nation's War-time Food Program, as well as for the administration and enforcement of the statutes, regulatory and otherwise, which provide the basis for the major agricultural and food programs of the country, including production, distribution, conservation, credit, electrification, research, and others. Many and varied legal problems arise in the conduct of such activities, and for the solution of these problems it is necessary that administrative officers have legal advice and assistance involving the consideration and application of practically all branches of the law.

General Plan and Scope of Work: In order to maximize their usefulness, the offices, both Washington and decentralized, have been organized into twelve legal divisions and one administrative division, with ten regional offices in the continental United States and one regional office in Puerto Rico. The various divisions of the office serve and counsel corresponding administrative units of the Department and the War Food Administration.

The work of the Office consists, among other things, of the rendering of legal opinions relative to the application of statutes, executive orders, and administrative rules and regulations; the drafting, examining, and construing of contracts, deeds, mortgages, leases, and other legal documents, and the preparation of proposed administrative rules and regulations, orders, and proclamations.

The Office conducts administrative hearings in reparation, disciplinary and other types of regulatory proceedings and issues tentative findings, conclusions, and orders with respect thereto. At hearings held before the Secretary and the War Food Administrator, the Solicitor's Office represents the Department and the Administration as counsel, and handles contacts on legal matters with other Federal and State governmental agencies.

The Office of the Solicitor also prosecutes, for employees of the Department, applications for patents on inventions which are to be used in departmental work and considers and recommends the appropriate disposition of claims for damage both for and against the Department.

On the enforcement side, the Office examines evidence to determine whether there have been violations of acts and orders administered by the Department and the War Food Administration and, in proper cases, the Solicitor recommends prosecution to the Attorney General. Pleadings and briefs in civil and criminal cases involving these agencies and the laws administered by them are drafted by the Office, and the Office cooperates with the Department of Justice in handling such litigation in the lower and appellate courts.

Present Organization and Current Programs:

A brief description of each functional project is given below:

1. Food Distribution Programs

General food distribution and procurement programs: Under this project is performed legal work incident to activities originating in the Food Distribution Administration, as follows:

- a. The making of food purchases to fill the needs of the Army, Navy, Lend-Lease, and other Government agencies, including, where necessary, the processing of food and the construction and expansion of food processing plants.
- b. The placing of priorities and allocations, through food distribution orders, with respect to certain foods, including the development of policy decisions with respect to consumer rationing of foods.
- c. Compliance with food distribution orders and regulations.
- d. The requisitioning of food for human and animal consumption.
- e. The maintenance of relations with the food industry, including the organization of industry advisory committees and matters pertaining to anti-trust prosecutions involving the food industry.
- f. The establishment, maintenance, and adjustment of ceiling prices with respect to certain foods, in conjunction with the Office of Price Administration.
- g. The preparation of schedules of priorities for the domestic rail movement and for the shipping of food; and the prosecution of cases with respect to rates, charges, tariffs and practices relating to the transportation of farm products before the Interstate Commerce Commission and the Federal Courts.
- h. The carrying out of the School-Lunch program, the liquidation of the Food-Stamp plan, and the carrying out of other general food programs involving the diversion of food from the normal channels of trade.

Legal work in this field during the past year included the review for formal requirements of all food distribution orders, preparation of memoranda on order procedure and compliance, general supervision of compliance activities carried on by Regional Attorneys in the field, review of numerous contracts and purchase programs, preparation of legal documents in connection with the construction and acquisition of over thirty lend-lease expansion projects, preparation of documents and general supervision of more than 125 requisition proceedings, participation in hearings in some 25 freight rate and rail abandonment cases before the Interstate Commerce Commission, preparation of numerous opinions on a wide variety of topics, including basic problems in priority control, judicial review of compliance proceedings, and relationships with other war agencies.

Grain, livestock and sugar programs: Under this project is performed legal work incident to activities originating in the Food Distribution Administration, as follows:

- a. The placing of priorities and allocations, through food distribution orders, with respect to the grain and livestock groups of agricultural commodities and fats and oils.
- b. The regulation of sugar marketings in interstate and foreign commerce by the imposition of quotas, as provided for by the Sugar Act of 1937, as amended.
- c. The regulation of the business conduct of packers and stockyards insofar as their transactions are in interstate commerce, and the prescription of the rates charged by stockyards and commission men, as provided by the Packers and Stockyards Act.
- d. The establishment of standards of quality and condition for wheat, corn, and other grains and the prohibition of the interstate or foreign transportation of grains not officially inspected and graded by licensed inspectors, as provided by the United States Grain Standards Act; the regulation of interstate and foreign commerce in seeds as provided by the Federal Seed Act, and the prevention of the interstate or foreign shipment of meat and meat food products which are unsound, unhealthful, unwholesome, or otherwise unfit for human food, as provided by the Meat Inspection Act.
- e. The regulation of trading in futures contracts for delivery of grains, cotton, wool, and other commodities on commodity exchanges and boards of trade and the regulation of the conduct of such exchanges and boards, as provided by the Commodity Exchange Act.
- f. Activities under the Insecticide Act; Naval Stores Act; Virus-Serum Toxin Control Act; Plant Quarantine Act; Animal Quarantine Act; Wool Standards Act; Act of May 29, 1884, designed to prevent interstate transportation of livestock known to be diseased; Sec. 1, Act of February 2, 1903, providing for regulation of exportation and

transportation of livestock from any place within the United States where there is reason to believe contagious diseases of animals exist; Sec. 2, Act of February 2, 1903, designed to prevent the introduction or dissemination of contagious animal diseases; Act of August 30, 1890, prohibiting the importation of cattle, sheep, or swine, or meats, from countries where certain diseases exist; Paragraph 1606, Tariff Act of 1930, providing for certification of foreign breeds of animals and the importation of purebred animals; and the Twenty-Eight Hour Law.

Legal work in this field during the past year included the preparation of original, supplemental, and implementing food distribution orders regulating the marketing and use of livestock, meat, meat products, fats and oils, fats and oils products, sugar, molasses, corn, wool, bakery products, dried beans and peas, rice, and pet foods; the preparation of legal interpretations of such orders; the preparation of legal opinions, pleadings, and other legal documents required in judicial and administrative actions instituted under these statutes; and representing the Department in all administrative hearings under these statutes, including rate fixing and disciplinary cases under the Packers and Stockyards Act, and disciplinary cases under the Federal Seed Act.

Dairy products and fruits and vegetables programs: Under this project is performed legal work incident to activities originating in the Food Distribution Administration, as follows:

- a. The placing of priorities and allocations, through food distribution orders, with respect to dairy products, fruits and vegetables, and special commodities.
- b. Activities under the Agricultural Marketing Agreement Act of 1937, as amended, providing for the execution of marketing agreements for all agricultural commodities and for the issuance of orders regulating the marketing of a certain group of commodities.
- c. Activities under the Perishable Agricultural Commodities Act, providing for the licensing of commission merchants, dealers, and brokers handling fresh fruits and vegetables in the current of interstate commerce.
- d. Activities under the Anti-Hog Cholera Serum and Hog-Cholera Virus Act relative to the maintenance of an adequate supply of anti-hog cholera serum and hog cholera virus by regulating the marketing of such serum and virus in interstate and foreign commerce.
- e. Activities under the Produce Agency Act; United States Cotton Standards Act; United States Cotton Futures Act; Tobacco Inspection Act; Standard Container Acts; Peanut Statistics Act; Tobacco Statistics Act; Export Apple and Pear Act; Renovated Butter Act; Honey-Bee Act; Dairy Products for Export Act; and the farm products inspection provisions of the act approved on July 22, 1942.

Legal work in this field during the past year included the preparation of original, supplemental, and implementing food distribution orders regulating the marketing and use of butter, citrus fruit juice, tobacco, chicory, frozen dairy foods, dried fruit, tea, spices, canned and processed fruits and vegetables, fish, cocoa beans, dehydrated fruits, dehydrated vegetables, eggs, Irish potatoes, dried skim milk, milk by-products, cream, Concord grapes, oil of peppermint, walnuts, apples, sauerkraut, and grapefruit. It also included services in connection with marketing agreement and order programs regulating hops, fruits, vegetables, and milk; litigation under certain milk orders; and the formulation and promulgation of milk orders, or proposed amendments thereto, with regard to the marketing areas of Chicago, Cincinnati, St. Louis, New Orleans, Louisville, Boston, Philadelphia, Washington, Kansas City, and certain other marketing areas. This office was concerned with many proceedings, including numerous hearings under the Perishable Agricultural Commodities Act and has drafted regulations and rules of procedure with respect to the formulation of anti-hog cholera serum and hog-cholera virus programs.

2. Food Production and Commodity Credit Programs

Conservation and adjustment programs: Under this project is performed legal work incident to activities originating in certain agencies of the Food Production Administration, as follows:

a. The placing of priorities and allocations, through various food production orders, with respect to farm machinery, fertilizer and other supplies, including the development of policy decisions with respect to consumer rationing of farm supplies.

b. Compliance with food production orders and regulations.

c. The requisition of farm machinery and other supplies where necessary for the food production program.

d. The establishment, maintenance, and adjustment of ceiling prices with respect to certain agricultural commodities in conjunction with the Office of Price Administration.

e. Activities under that portion of the Soil Conservation and Domestic Allotment Act, as amended, authorizing the agricultural conservation programs, the range conservation programs, and the naval stores conservation programs, carried out on the continent and in the territories, and involving the making of payments to eligible producers.

f. Activities under that portion of the Agricultural Adjustment Act of 1938, as amended, authorizing the making of parity payments to the producers of corn, wheat, cotton, rice, and tobacco, and the imposition and adjustment of marketing quotas, where the supply situation requires their invocation, for cotton, wheat, corn, tobacco, rice, and peanuts.

g. Activities under Section 22, Agricultural Adjustment Act (1933), authorizing the President to impose fees or limitations on certain imports in order to prevent interference with specified programs; activities under the Sugar Act of 1937 to the extent that it provides for the making of payments to sugar beet and sugar cane producers; and liquidation activities with respect to wheat and cotton crop insurance.

Legal work in this field during the past year included the preparation of original, supplemental, and implementing food production orders regulating the distribution of such farm supplies as machinery, fertilizers, feeds, seeds, and insecticides, and of lumber, copper wire and engines. The office has made the changes required in the regulations and procedures relating to the conservation and marketing quota programs by the new emphasis on all-out production of crops essential to the war effort, including the removal of acreage and marketing restrictions on certain crops and the development of a new program to encourage production of Irish potatoes and grain sorghums.

Commodity credit programs: Under this project is performed legal work incident to activities originating in the Commodity Credit Corporation, as follows:

- a. The placing of priorities and allocations, through food distribution and food production orders, in conjunction with the Food Distribution Administration and the Food Production Administration with respect to agricultural commodities, including the development of policy decisions with respect to consumer rationing of agricultural commodities, and the enforcement of such orders.
- b. The requisitioning of food for human and animal consumption.
- c. The exercise of powers with respect to anti-trust prosecutions.
- d. The exercise of powers of inspection and audit of war contractors, including the power of subpoena.
- e. The mandatory loan programs with respect to basic agricultural commodities as provided by the Agricultural Adjustment Act of 1938, as amended.
- f. The price support programs with respect to the non-basic agricultural commodities as provided by the Steagall Amendment.
- g. The transportation subsidy and other programs designed to support the prices, facilitate the handling, and make available adequate supplies of agricultural commodities and foods.
- h. The activities of the Departmental Committee on Foreign Purchase and Importation.

- i. Supply programs under which commodities owned by the Corporation or in which the Corporation has an interest are disposed of.

Legal work in this field during the past year included legal assistance in connection with the Vegetable Oilseeds Production, Processing and Distribution Program, the Agricultural Supplies Program, the War Hemp Program, the General Commodities Purchase Program, the Feed Wheat Program, the Cotton New Uses Program, and others. One of the most difficult and comprehensive assignments completed during the past year was the furnishing of legal service in connection with the CCC's various Domestic and Offshore Sugar Production, Purchase and Distribution Programs. In connection with these programs, which involve many aspects of both the domestic beet and cane sugar industries and the Caribbean and Territorial cane sugar industries and under which, among other things, the CCC purchases the entire Cuban and certain other offshore sugar crops, this office prepared 14 comprehensive contracts, together with numerous legal documents to be used in implementing such contracts and gave oral and written legal advice from day to day in connection with operations under such contracts.

Legal problems presented include not only the more usual ones relating to security instruments, warehousing, corporate organization and financing, and others, but also problems relating to the laws of foreign nations, and, because the Commodity Credit Corporation is a Government corporation, problems involving its immunity from State regulation and its right to assert the sovereign immunities of the United States.

Labor, rural rehabilitation and farm tenancy programs: Under this project is performed legal work incident to activities originating in the Office of Labor and the Farm Security Administration, as follows:

- a. The stabilization of wages and salaries of agricultural labor pursuant to the Act of October 2, 1942, Executive Order 9250 of October 3, 1942, and the directives of the Economic Stabilization Director.
- b. The recruitment, transportation, placement, and distribution of farm laborers pursuant to Public Law 45, including the negotiation of agreements with Mexico, Jamaica, and the Bahamas for the importation of agricultural workers into this country and the feeding, shelter, and medical care of the workers imported.
- c. The programs administered by the Farm Security Administration covering (a) tenant purchase loans, (b) rehabilitation loans and grants to low-income farmers, (c) liquidation of resettlement projects, and (d) irrigation of arid and semiarid lands. While no longer making loans to cooperative associations, the Farm Security Administration services loans previously made to such organizations, including especially health associations rendering medical and dental services to low-income farm families.

Legal work in this field during the past year included the preparation of public notices and orders establishing wage rates and assistance in preparing and interpreting international agreements and agreements with individual foreign and domestic workers and with the employers. The work also gave rise to numerous legal problems relating to Government contracts and claims, the repair, alteration and leasing of premises for labor camps, and expenditures for the repair and alteration of labor camps owned by the United States.

The liquidation of resettlement projects, numbering at the beginning of the year about 160 projects and composed of about 10,000 farms and a large volume of undeveloped land, presented numerous legal questions relating to the sale of real and personal property acquired by the United States and by cooperative organizations, the sale of Government property, matters of taxation, the powers of Federal and corporate officers, and contract law.

3. Rural Electrification Programs

Under this project is performed legal work incident to activities originating in the Rural Electrification Administration, as follows:

- a. Loans for the construction and operation of generating plants, electric transmission and distribution lines or systems in rural areas, and for the wiring of premises in rural areas and the acquisition and installation of electrical and plumbing appliances and equipment.
- b. The construction of electrical facilities by REA borrowers.
- c. Insurance matters of REA borrowers and their contractors arising in connection with the construction of facilities.
- d. The operation of electric facilities financed by the REA and constituting security for the Government loans.
- e. Litigation, including proceedings before Public Service Commissions, Tax Commissions and courts, both at trial and on appeal.
- f. Activities involving collaboration with war agencies (particularly the War Production Board and the War Food Administration) in the preparation of orders and regulations affecting the rural electrification program.

Legal work in this field during the past year included giving legal assistance with respect to most of the 800 REA borrowers as a result of the fact that farms are now being connected to REA financed lines under regulations and special approvals of the War Production Board and the War Food Administration at the rate of about 6,000 per month. Several hundred opinions per month were rendered to members of the Rural Electrification Administration and its borrowers in connection with regulations of and applications to the War Production Board, War Food Administration,

Office of Price Administration, Office of Defense Transportation, Federal Power Commission, and other agencies engaged in the war effort. In addition to opinions with respect to specific projects, there were issued approximately 50 bulletins containing general analyses of the regulations of war agencies. Hundreds of conferences with representatives of war agencies were held with respect to the adaptability of existing regulations to the needs of REA cooperatives and the issuance of special orders and approvals applicable to such cooperatives.

The Office also rendered legal assistance to borrowers with respect to matters arising out of operation of energized systems, including administration and interpretation of State and Federal laws of taxation; renewal or revision of wholesale contracts and insurance matters; litigation involving such matters as claims by contractors against borrowers, trespass suits or alleged unlawful acts in the construction of lines, claims for personal injuries or property damage in excess of insurance coverage, condemnation of property of borrowers constituting security for the Government loan, wholesale rate cases before regulatory bodies, suits by telephone companies for inductive interference, and miscellaneous matters; legal problems growing out of the operation of REA financed systems involving the interpretation and administration of state regulatory statutes; and legal opinions, as well as other legal assistance, on labor problems incident to the application to REA borrowers of the Fair Labor Standards Act and the National Labor Relations Act. In addition, the hundreds of transfers of construction materials taking place between REA borrowers as a result of the critical materials situation required legal attention not only to assure conformity with the regulations of war agencies but also to protect security for Government loans.

4. Farm Credit Programs

Under this project is performed legal work incident to activities originating in the Farm Credit Administration, as follows:

- a. The operation of the Federal land banks, national farm loan associations, and joint stock land banks, as provided by the Federal Farm Loan Act; the making of loans to farmers by the Land Bank Commissioner on first or second mortgages on real or personal property, including crops, as authorized by the Emergency Farm Mortgage Act; and the operation of the Federal Farm Mortgage Corporation in financing the lending operations of the Land Bank Commissioner and the Federal land banks, as authorized by the Federal Farm Mortgage Corporation Act.
- b. The operation of the Federal intermediate credit banks, as authorized by the Agricultural Credits Act; the operation of a \$500,000,000 revolving fund for use in making loans to cooperative associations, as authorized by the Agricultural Marketing Act; the activities of regional agricultural credit corporations in making direct loans to farmers and stockmen, as authorized by the Emergency Relief and Construction Act; the operations of the production credit

corporations, production credit associations, and banks for cooperatives, as authorized by the Farm Credit Act of 1933; and the making of loans for planting, cultivating, and harvesting crops, and for feed for livestock, as authorized by the Act of January 29, 1937.

c. Supervision by the Farm Credit Administration of intermediate credit banks, banks for cooperatives, production credit corporations and associations, the regional agricultural credit corporations of Washington, D. C., Federal land banks, national farm loan associations, joint stock land banks, and farm loan registrars.

Long-term credit: Legal work in this field during the past year included (a) services rendered the Farm Credit Administration in connection with the supervision of the operation of the Federal land banks, joint stock land banks, national farm loan associations, Federal Farm Mortgage Corporation, farm loan registrars, and the fiscal agency of the Federal land banks and the Federal intermediate credit banks; and (b) services rendered the Administration in the performance of its functions as a separate bureau of the Department of Agriculture, including its relations to the Department, to other agencies of the Government, and to legislative programs.

Among the important accomplishments during the past year were the establishment of legal bases for (a) the financial rehabilitation of national farm loan associations to the end that the associations may be able to perform more efficiently their functions as local servicing agencies of the Federal Farm Mortgage system; and (b) the decentralization and simplification of procedures relating to the review, approval, and pledge of farm mortgages as collateral security for farm loan bonds.

Short-term credit: Legal work in this field during the past year included (a) services rendered the Farm Credit Administration in connection with the extension of short-term credit by direct loans to farmers for production purposes; and (b) services rendered to the agencies supervised by the Farm Credit Administration and identified with such credit, namely, the Federal intermediate credit banks, production credit corporations, production credit associations, and the regional agricultural credit corporations. A considerable volume of work was done in implementing the organization and operations of the RACC of Washington, D. C., for the purpose of extending credit throughout the United States for the production of special crops essential to the war effort and in cooperating with other Government agencies in their war programs.

5. Forestry, Research and General Legal Services

Research and general legal services: This project includes legal work incident to activities originating in the Agricultural Research Administration, the staff agencies, and otherwise, as follows:

a. Scientific research of the Agricultural Research Administration, as authorized by the several research laws and appropriations, including the Agricultural Adjustment Act of 1938 providing for the four

regional research laboratories, and cooperative work with State experiment stations and Extension Services, as provided by the laws governing Federal grants-in-aid, such research leading to discoveries giving rise to claims for patents, copyrights, and trademarks.

b. Budget, finance, and operational matters, including questions as to the availability of funds; invitations to bid and bid specifications; contracts and leases for administrative operations; the inclusion of 8-hour law and other such provisions in contracts and leases; contract bonds, employee's fidelity and indemnity bonds; and the administration of all such matters as affected by the First War Powers Act.

c. Personnel matters, including the appointment, classification, compensation, discipline, leaves of absence, retirement, promotion, and political activities of Department personnel.

d. Other matters affecting all agencies of the Department and the War Food Administration in the field of administration and program operations, including activities of the Library and other Staff Agencies; general bankruptcy matters; claims for damages to property and for personal injuries on account of the alleged negligence of Government personnel, and all claims on behalf of the Department for damages to its personal property.

Legal work in this field during the past year included giving advice on all internal administrative problems of the Department and War Food Administration, particularly in the field of personnel and fiscal matters. Legal advice and assistance were furnished the Agricultural Research Administration in considerable degree, especially in patent work, due to the numerous discoveries valuable to the war effort which have been made, and a great deal of time was spent on contracts for aerial photography, construction, and equipment in connection with the war effort.

Forestry and lands programs: This project includes legal work incident to activities originating in the Forest Service, the Soil Conservation Service, and otherwise, as follows:

a. Cooperation of the Forest Service and other agencies of this Department with the War Department in the Aircraft Warning Service, experimental work relating to the development and use of wood products for military use, war-mapping and camouflage work, and emergency fire protection in critical areas surrounding army camps and defense plants; the determination of forest products requirements in connection with orders issued by the War Production Board; the discovery of sources of timber in foreign countries for use in connection with the war effort; and the Alaska Airplane Spruce Project administered by the Forest Service.

b. Forest Service activities including the establishment, administration and extension of national forests; protection in collaboration with the States of the watersheds of navigable streams and the purchase

of lands for the purpose of conserving the navigability of navigable streams and to promote the continuous production of timber; the protection in collaboration with the States of forest lands and reforestation thereof; the demonstration of reforestation, growing, and utilization of timber and other forest products; the establishment and administration of fish and game sanctuaries in the national forests; cooperation with the States in the development of State forests, and cooperation in the development of farm forestry.

c. Soil Conservation Service activities, including the purchase of land unsuited to cultivation and the development of such land for better adapted use, as provided by the Bankhead-Jones Farm Tenant Act, and the provisions of a cooperative basis for extending the facilities of Departmental agencies to such State and local agencies as soil conservation districts, wind-erosion districts, grass-conservation districts, and others, as provided by the Soil Conservation and Domestic Allotment Act, as amended.

d. The planting of guayule and other rubber-bearing plants, as provided for by Congress in 1942.

e. The development of land-use planning programs by the Bureau of Agricultural Economics, including matters pertaining to farm forestry and flood control; the examination and approval of title to all lands acquired by the Department, including land acquired for lend-lease purposes, and the activities of the Minerals Policy Committee, which handles all mineral interests administered by this Department.

Legal work in this field during the past year included the preparation of regulations and opinions incident to the protection and administration of over 78,000,000 acres within the jurisdiction of the Forest Service, including the administration and control of the sale of timber from and the occupancy and use of such lands, and the preparation and examination of numerous documents in connection with emergency rubber projects in California, Georgia, and the Lake States. The office prepared opinions and prepared and reviewed numerous documents, including cooperative agreements with States and other agencies, incident to the administration of the land utilization areas, which comprise over 7,000,000 acres within the jurisdiction of the Soil Conservation Service, and reviewed documents and participated in the drafting of State legislative bills pertinent to the 1,000 erosion control and other districts, which embrace over 550,000,000 acres.

During the past year, this office also assisted in the drafting of regulations and procedures for issuing oil, gas, and other mineral leases covering whole, undivided, and future interests in minerals, in order to stimulate exploration for and production of oil, gas, and other minerals needed in the war effort, and assisted in the approval of royalty communitization and other agreements and easements for pipe lines. In addition; the office, in cooperation with the Department of Justice, prosecuted, among others, approximately 150 cases involving violations of the laws of the United States in or near critical areas on lands administered by this Department.

6. General Administration and Business Functions

This project includes the supervision and direction, by the Solicitor and his staff, of the performance of all legal work for the Department, both departmental and field, and all administrative work, both departmental and field, related to the administrative and business functions of the Office, including personnel matters, such as classification, appointment, placement, training, safety, leave, and retirement; budget matters, including the preparation and presentation of the budget estimates and the development and maintenance of budgetary management controls; fiscal work, comprising the preparation and audit of payrolls and vouchers, the accounting and reporting of all expenditures, and the maintenance of cost records by activities for budgetary purposes; procurement of all equipment and supplies, and the maintenance of accountability records therefor; and maintenance of complete centralized correspondence files for the office, the receipt, recording, and dispatch of all mail, and the performance of messenger service.

7. Field Activities

Pursuant to the policy of the Solicitor's Office as reorganized in July 1942, responsibility has been delegated to regional attorneys in the field offices, and the process of decentralizing the legal work has steadily progressed throughout the year. The eleven regional offices have performed all phases of legal work in connection with the program activities of the Department carried on in the regional areas of the Departmental Administrations.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS

Project	: : Obligations, : 1943	: Estimated : Obligations, : 1944	: Estimated : Obligations, : 1945
Supply and Distribution	:	:	:
of Farm Labor: For	:	:	:
general legal services	:	:	:
in connection with the	:	:	:
farm labor program a/...	--	18,000	--

a/ Availability of funds appropriated for this program by Public Law 45, (approved April 29, 1943) for the calendar year 1943 has been extended to January 31, 1944, pending final action by the Congress on the supplemental estimate (House Document 346) for the calendar year 1944.

OFFICE OF INFORMATION

(a) Salaries and Expenses

Appropriation Act, 1944	\$439,257
Transfers, 1944, from other appropriations (as shown in detail below)	+ 228,679
Anticipated deficiency for overtime pay required by the War Overtime Pay Act of 1943	+ 73,267
Total anticipated available, 1944	741,203
Budget estimate, 1945:	
Direct appropriation	\$506,000
Transfers, 1945, from other appropriations (as shown in detail below)	+251,179
Total available, Budget estimate, 1945	757,179
Net increase in total available funds	+ <u>15,976</u>

PROJECT STATEMENT

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
1. General administration of Office of Information and of informational work	\$ 28,240	\$130,303	\$146,279	+ \$ 15,976(1)
2. Business service including mails and files	36,669	48,202	48,202	-
3. Publications preparation and control	155,958	199,060	199,060	-
4. Preparation and distribution of special reports and current information	55,944	136,997	136,997	-
5. Preparation and distribution of agricultural information by exhibits	80,668	46,625	46,625	-
6. Preparation and distribution of agricultural information by radio	38,747	49,139	49,139	-
7. Preparation and distribution of agricultural information to the press	61,753	71,377	71,377	-
8. Field information service ..	82,563	-	-	-
9. Preparation and distribution of agricultural information by motion pictures	119,678	59,500	59,500	-
Covered into Treasury in accordance with Public Law 674 ..	3,000	-	-	-
Unobligated balance	16,067	-	-	-
Total available	679,287	741,203	757,179	+ 15,976

PROJECT STATEMENT (Continued)

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
Continuing transfers from other appropriations:				
"Salaries and expenses, War Food Administration".....	- 27,000	-217,500	-240,000	
"Administrative expenses, Commodity Credit Corp- oration".....	- 11,179	- 11,179	- 11,179	
Transfers in estimates and transfers from other appro- priations (see Budget schedule for details).....	-256,274	-	-	
Transfers in estimates to other appropriation.....	+ 15,310	-	-	
Anticipated deficiency for overtime pay.....	-	- 73,267	-	
Total estimate or appropriation	400,144	439,257	506,000	

INCREASE

(1) An increase of \$15,976 in this project for 1945 is requested to provide for additional personnel and other expenses (exclusive of printing) to intensify the over-all food educational program of the War Food Administration.

Objective: The purpose of the over-all food educational program is to mobilize and direct the use of information materials and media to present facts and appeals to the American public so every citizen may know the importance of food in the present war, and exert his own effort to help meet the need for maximum production of food, for full conservation of food, for sharing food supplies in accordance with current needs by following rationing and price regulations.

The Problem and Necessity: In spite of record production in 1943 for the seventh consecutive year, there is not enough food to satisfy all demands, including greatly expanded domestic demand, but our food supply can shorten the war if we can produce to the maximum, cut out waste, and use the supply to feed our civilians and armed forces adequately, as well as to meet the needs of our fighting allies and help feed the peoples of liberated countries.

The Nation as a whole, operating through the Federal Government, has the wartime job of advising food producers concerning the kinds and amounts of food needed; it has the job of supplying food to the armed forces to maintain them as a highly efficient fighting instrument, and it must see that an adequate supply of food is allocated properly and fairly among the civilian population to maintain health of workers as a measure

of achieving war production. But to accomplish this master job within the framework of our democratic form of government facts must be presented to the individual citizen to help him accomplish his part in this national food job. The method best designed to carry these facts home to each individual is through mobilization of all channels of information to carry home the message to make the individual realize what he can accomplish -- by arresting his attention through news matter, advertisements, posters, displays, motion pictures, radio programs, and finally by face-to-face discussion through individual contact or group discussion, to make the food program a responsibility of each individual citizen. In this way he will take a full share in increasing production of food, in fully conserving food, in sharing it, and playing square with his fellow citizens in relation to the supply of food.

Plan of Work: All the available information facilities of the War Food Administration and of the Department of Agriculture, with all their cooperating State and local agencies, and the information and educational forces (including field forces) of the Office of War Information, the Office of Price Administration and the Office of Civilian Defense, will be utilized in this program. In addition, through cooperative arrangements with food manufacturers, processors, and distributors, maximum use will be made of advertising space in newspapers, popular and trade magazines, outdoor advertising, radio and motion pictures, and the foreign language press. The program will be in continuous operation throughout the year, reaching one peak of activity in the month of November through concentrated use of all information media on the general phase of management of the national food supply, and a second peak in the spring with emphasis particularly on the production phase of the total food problem. Full utilization will be made of contributions in the form of services and materials by food advertisers through cooperative arrangements with the Office of War Information and the War Advertising Council.

Increases and Decreases, by Sources of Funds

Source	Estimated Obligations:	Increases: General admin- and : istration of : Publications: distribution of decreases: Office of In- : preparation : special reports : formation and : and control : and current : of informa- : : information : tional work :	Distribution of Increases and Decreases by Projects
Transfers from:			
Salaries and ex-			
penses, War			
Food Adminis-			
tration			
Commodity Credit			
Corporation ..			
	\$217,500:	\$240,000: +\$22,500:	+\$15,976: +\$1,296: +\$5,228
	11,179:	11,179: - - -	- - -
Direct appropria-			
tion (including			
additional funds			
required for			
overtime)	512,524:	506,000: -6,524:	-1,296: -5,228
Totals	741,203:	757,179: +15,976:	+15,976: - - -

CHANGE IN LANGUAGE

The estimates include a proposed change in the language of the last proviso of this item as follows (new language underscored, deleted matter enclosed in brackets):

Provided, That no part of this appropriation shall be used for the establishment or maintenance of regional or State field offices or for the compensation of employees in such offices except that not to exceed [\$9,100] \$13,900 may be used to maintain the San Francisco radio office.

The increase in authorization for expenditure in the San Francisco radio office is requested to allow for employment, in connection with additional work in that Office for the War Food Administration, of an assistant information specialist, an increase in temporary services of a clerk-stenographer for half a year, and \$600 for emergency employment in event of illness of present clerical staff.

Note: In the appropriation language for this item in the printed Budget, the limitations on expenditures for exhibits and motion picture work were inadvertently not increased to include provision for the payment of overtime compensation in 1945 as shown in the accompanying budget schedules. With the approval of the Bureau of the Budget, the limitation amounts were corrected in the Subcommittee print.

Statement of Overtime Costs

	1943	Est. 1944	Est. 1945
Direct appropriation:			
Amount absorbed	\$40,400;	--;	--
Additional funds for overtime (appro-			
priated, 1943, estimated supplemental;			
1944; and included in budget estimate;			
1945).....	--;	\$73,267;	\$72,693
Total cost (direct appropriation)	40,400:	73,267:	72,693
Transfers from other appropriations:			
Amount absorbed	1,966:	--;	--
Additional funds for overtime (trans-			
ferred, 1943; to be transferred,			
1944 and 1945)	--;	12,500:	15,217
Total cost (transferred funds)	1,966:	12,500:	15,217
Total cost of overtime as shown in budget:			
schedules (7 months in 1943)	42,366:	85,767:	87,910

WORK UNDER THIS APPROPRIATION

Objective: To coordinate, supervise and direct the informational work of the Department, including that of the War Food Administration, in order to place the most useful facts on agriculture before farmers and others, to explain the importance of food in the Nation's war effort, and to report on the information needs of farmers to the Secretary of Agriculture, the War Food Administrator, their staffs, and to technicians and scientists of the Department so that programs may be focused on the most critical agricultural problems.

Significance: Every activity of the Department including the functions of the War Food Administration, are served by the Office of Information which operates as a staff organization for planning and managing the total agricultural information function. The war jobs of stimulating production among all farmers, of directing the supply and use of foods, and of taking part in the management of nonfood materials used in the production and processing of food has given added responsibility to this staff function of information.

The Office of Information:

Helps farmers to increase production: The wartime food production job requires that the Department help farmers establish production goals, maintain price levels that enable them to produce, assist them to obtain labor, machinery and materials, and provide technical knowledge and services as aids to production. Each step requires the cooperation of individual farmers to whom the various phases of the production program must be explained.

Helps farm and city families use food for better health: Good diet and good health require information on how to produce farm gardens and farm flocks and herds, and how to prepare and preserve foods, and in what combinations for good diet, especially under the greater strain of war work.

Helps farm and city families meet war shortages in farm and household supplies: The Office of Information is liaison for the Department with information coordinating agencies of the Government, and makes information available on impending shortages, substitutions, and conservation measures.

Helps scientists and technicians: Research needed to solve problems of wartime supply and military uses of farm products is speeded by printing, duplicating, indexing and distribution of scientific reports.

Helps to explain importance of food as a war weapon: In cooperation with other war agencies and trade factors, helps to explain to the people the importance of food in war, and the need for sharing and conserving.

General Plan:

General Plan: To give policy direction to and be responsible for the correlation of the press, radio, motion pictures, publications and window display type of exhibits work of the Department through the employment of existing authorities centered in the Office of Information.

Progress and Current Activities:

Information activities on food in the war: Increasing emphasis on the role of agriculture in the war effort was evident during the past fiscal year. This placed greater demands on the information functions of the Department to place the facts on food supply and distribution before the

farm and consuming public. The Office of Information intensified its efforts in directing and guiding all information facilities of the Department to develop material on the agricultural war effort for dissemination through all media and all information channels. The Food for Freedom information program continued through the harvesting season into the period for planning the 1943 crops, and on through the planting and early harvest for that year. This program was expanded under funds transferred from the War Food Administration at the beginning of the 1944 fiscal year into the over-all educational program of the Administration, which is an intensive effort to develop in the people of the country a consciousness of the importance of food in prosecuting the war and to help them take the action needed to make food a more effective weapon by producing as much food as possible, and by sharing and conserving the food supply. This program was carried on with the collaboration of the Office of War Information, the Office of Price Administration, the Office of Civilian Defense, and the War Advertising Council, as an intensive educational campaign through the latter part of the summer and into the late fall months. The phase of the program involving mass appeal during this period was geared to operate through food advertisers and food store operators from whom cooperation was assured for the use of newspaper advertising space, space in national popular magazines and trade publications, in retail food advertising, counter and billboard space, and through radio advertising, particularly in the program's peak month of November. At the same time steps were taken to make full use of the information channels of bureaus and offices of the War Food Administration and of cooperating agencies particularly in the field.

The over-all food educational program, in addition to giving the public a complete picture about the role of food in the war, provides a background of understanding needed for maximum cooperation in all individual war programs dealing with production, conservation, and use of food. This program brings together for the first time all essential facts about food, and provides effective integration for individual food programs. Information on the individual food programs has been carried on through special information materials and varying use of information media. These special materials on individual campaigns also carry the message of the over-all program. For example, the program to promote the care, sharing and repair of machinery, designed to achieve the maximum man-hour usage of machines in producing food becomes more effective in meeting the major objective of increased food production if related to the total wartime food problem. The care and repair phase of this program is given particular attention during the winter months; the sharing phase attains increasing importance as machinery is used during spring and summer farming operations. As another example the victory garden campaign becomes more effective and achieves more widespread cooperation when related to our total wartime food program and food problem.

In addition, among others, a new war information program to promote greater home food production was started, as well as programs on nutrition, food conservation, planning through rationing, and black

market control. The planning and direction of these special information programs is centered in the Office of Information and carried on with special task groups assigned from the Office of Information and from bureau information staffs.

The Office of Information continues to issue the "War Letter for Agriculture" for use by war boards, department field representatives, land grant colleges and farm organization officials. The service provided through this letter was improved by further condensing the items of information reported. The Weekly ACAA Calendar was converted into "The Food Calendar" and expanded in scope to include current material for field workers on food distribution, research and marketing activities. A new Food Information Series was established to provide a vehicle for carrying to all Department field representatives and cooperating agencies condensed background statements on particular phases of food production and distribution, and wartime management of the food supply. In addition, this Office carried out the responsibility for preparing the semi-monthly house organ, "USDA," striving to improve its usefulness in keeping employees of the Department more directly in touch with war developments in agriculture.

Distribution of publications and current information materials: The handling of requests for publications, particularly Congressional requests has been speeded up. All requests for publications by Members of Congress are handled on a 24-hour basis. In addition, special efforts are made to ensure the prompt handling of these requests in the mail channels.

Direct control of distribution of current war information aids was placed in the Office of Information to achieve greater coordination in preparation and release of war information material, faster distribution of spot information and savings in expenditures and paper through reduction in the amount of reprinting. This control is also used to review all informational materials to determine their need and whether the format represents an economical use of paper. This control of distribution at the source helps to improve the coordination of information work.

Complete revision of Department mailing lists was undertaken near the end of the last fiscal year to curtail existing mailing lists, to place all lists in condition to provide maximum service for constituent agencies of the Department and to tie in mailing list work closer with control of distribution of publications and current information aids. Current revision of all mailings continues with particular emphasis at this time on paper conservation.

Exhibits and motion pictures: Exhibits and motion picture programs for the Department's war work were planned in collaboration with bureau representatives and carried on mainly through bureau information channels. The exhibits program provides for use of small exhibits, in keeping with

the discontinuance of many State and other fairs, and to provide suitable material for window displays and for small public gatherings. The more important motion pictures produced and distributed under the supervision of this Office were concerned with (a) the preparation and cultivation of the farm garden, (b) the role of the farm wife in the war effort, (c) the need for hemp in war uses and farm practices, designed to encourage successful production of hemp, (d) the need for more production of food for the farm family right on the farm, and (e) the food supply situation and reasons for support of food rationing and control of black markets.

Printing section: Considerable progress was made in speeding up the processes of procuring printing for bureaus and agencies of the Department. The work of the printing section of the Office was increased by greater demand for service and by increase in the volume of contacts to negotiate more frequent orders on shorter time schedules. Every printing order is examined closely to make sure that the fullest possible economy is practiced in the use of both funds and paper.

Press and radio services: The work of the Press Service of the Office increased both in intensity and scope, as demands for spot information rose in volume and the range of current information wanted expanded over control of more foods and critical nonfood materials used in the production and distribution of food. There was a large increase also in liaison contacts with several war information agencies, due both to increase in food-order information releases and to more frequent contacts arising out of demand for speed in releasing information.

In radio, a new weekly service on food rationing was started, by request, in the latter part of the fiscal year. Other agricultural programs were continued to keep farmers and farm program directors of radio stations and networks informed of the Department's new effort and the progress of continuing programs to help farmers meet war needs. Regular services were supplied to the broadcasting systems, to press associations and news services, script writers and local stations. An increased number of spot news pieces were distributed for use in coordinated Federal-State broadcasts of agricultural information. There was an increase in the work of clearing and coordinating radio information with over-all war information agencies. The daily schedule on the National Farm and Home Hour was maintained with a number of Department executives, particularly those in the War Food Administration, reporting directly to farmers on production needs, improvement of marketing practices and the supply situation for critical materials.

The Office plans to carry forward under coordinated direction the total information job of fully explaining the facts to aid in the wartime job of food production and control.

(b) Printing and Binding

Appropriation Act, 1944	\$1,200,000
Transfers, 1944, from other appropriations (as shown in the schedule below)	+415,000
Total available, 1944	1,615,000
Budget estimate, 1945:	
Direct appropriation	\$1,100,000
Transfers, 1945, from other appropriations (as shown in the schedules below)	385,000
Total available, Budget estimate, 1945	1,485,000
Net decrease in total available funds	<u>-130,000</u>

PROJECT STATEMENT

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
1. Job work and binding:				
(a) Binding	\$36,667	\$50,950	\$43,450	-\$7,500
(b) Emergency field printing	10,302	10,495	10,495	- -
(c) Job work	658,586	820,555	735,555	-85,000
(d) Letterheads	9,508	18,000	15,500	+2,500
Total	715,063	900,000	805,000	-95,000(1)
2. Reports, periodicals, and other regulatory, service and administra- tive publications:				
(a) Agriculture in the Americas	5,850	5,850	5,850	- -
(b) Agricultural Decisions	4,006	3,560	3,560	- -
(c) Agricultural Situation	16,761	15,370	15,370	- -
(d) Annual Reports ...	6,692	6,460	6,460	- -
(e) Bibliography of Agriculture	- -	12,000	12,000	- -
(f) Congressional Documents	7,614	5,564	5,564	- -
(g) Consumers' Guide and Supplement	34,766	36,660	36,660	- -
(h) Crops and Markets	7,754	7,828	7,828	- -
(i) Experiment Station Record	21,820	20,415	20,415	- -
(j) Extension Service Review	5,558	5,447	5,447	- -
(k) Farmers' Bulletin Lists	4,720	4,000	4,000	- -
(l) Foreign Agriculture:	1,359	1,267	1,267	- -
(m) Forest Folders ...	1,870	1,490	1,490	- -

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
(n) Indexes	\$10,842:	\$2,190:	\$2,190:	- -
(o) Instructions and Information: Field	:	:	:	:
Workers AAA and WFA ..	38,363:	18,657:	18,657:	- -
(p) Journal of Agricul- tural Research	4,344:	4,344:	4,344:	- -
(q) Land Policy Review :	1,764:	1,764:	1,764:	- -
(r) Monthly List of Publications	1,854:	1,525:	1,525:	- -
(s) REA News	14,045:	5,810:	5,810:	- -
(t) REA News Separates :	7,155:	3,000:	3,000:	- -
(u) Service and Regu- latory Announcements :	5,363:	4,025:	4,025:	- -
(v) Secretary's Regula- tions	2,217:	2,064:	2,064:	- -
(w) Soil Conservation Magazine	6,570:	6,570:	6,570:	- -
(x) Statistical Report :	1,540:	1,540:	1,540:	- -
(y) Unnumbered Publica- tions and Reports ..	17,320:	6,600:	6,600:	- -
(z) USDA	5,266:	6,000:	6,000:	- -
Total	235,413:	190,000:	190,000:	- -
3. Research and Technical: Publications:	:	:	:	:
(a) Bibliographical Bulletins	1,604:	1,604:	1,604:	- -
(b) Circulars--New and Reprints	12,352:	12,330:	12,330:	- -
(c) Commodity Statistics FDA	801:	780:	780:	- -
(d) Experiment Station: Bulletins and Reports:	1,889:	1,890:	1,890:	- -
(e) Journal of Agricul- tural Research Separates	10,615:	10,470:	10,470:	- -
(f) Physical Land Surveys--SCS	3,659:	3,660:	3,660:	- -
(g) Reprints and Revi- sions (General)	2,345:	2,314:	2,314:	- -
(h) Reprints of Outside Articles	2,106:	2,040:	2,040:	- -
(i) Soil Surveys	63,617:	52,650:	47,650:	-5,000
(j) Statistical Bulletins	1,262:	1,262:	1,262:	- -
(k) Technical Bulletins: New and Reprints ...	12,164:	11,000:	11,000:	- -
Total	112,414:	100,000:	95,000:	-5,000 (2)

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
4. Farmers' Bulletins and: other Popular Publica- tions:				
(a) AWI--New and Reprints	\$96,961:	\$112,000:	\$101,000:	-\$11,000
(b) AAA--Regional Pub- lications	566:	566:	566:	- -
(c) BAE--EXT Fliers ..	195:	- -:	- -:	- -
(d) Farmers' Bulletins-- New	33,792:	34,560:	34,560:	- -
(e) Farmers' Bulletins-- Reprints and Revisions	87,611:	99,600:	94,600:	-5,000
(f) Farmers in the War :	765:	765:	765:	- -
(g) ECIC Publications :	11,555:	8,000:	- -:	-8,000
(h) Leaflets (new) ..	2,193:	2,195:	2,195:	- -
(i) Leaflets (Reprints and Revisions)	6,552:	6,550:	6,550:	- -
(j) Miscellaneous Pub- lications--New and Reprints	65,271:	77,620:	71,620:	-6,000
(k) Posters	56,046:	80,521:	80,521:	- -
(l) REA Publications :	- -:	195:	195:	- -
(m) Statistical Separates	1,540:	1,540:	1,540:	- -
(n) Yearbook Separates :	887:	888:	888:	- -
Total	363,934:	425,000:	395,000:	-30,000(3)
Total obligations, print- ing and binding	1,426,824:	1,615,000:	1,485,000:	-130,000
Unobligated balance	423,176:	- -:	- -:	- -
Total available	1,850,000:	1,615,000:	1,485,000:	-130,000
Transfers from other appropriations:				
"Salaries and expenses, War Food Administra- tion"	- -:	-30,000:	-85,000:	
"Conservation and use of agricultural land resources"	-175,000:	- 175,000:	-125,000:	
"Exportation and domes- tic consumption of agricultural commo- dities"	-225,000:	-175,000:	-175,000:	
"Parity payments"	-150,000:	-35,000:	- -:	
Total estimate or appropriation	1,300,000:	1,200,000:	1,100,000:	

INCREASES AND DECREASES

The net decrease of \$130,000 in total available funds for this item consists of:

(1) A decrease of \$95,000 under the project "Job work and binding," composed of:

(a) A reduction of \$10,000 in direct appropriation will be effected by curtailing binding work and by using the new standard form for informal correspondence.

(b) A reduction of \$85,000 in expenditures for forms and miscellaneous job work printed under funds transferred from the Agricultural Adjustment Agency.

(2) A decrease of \$5,000 under the project "Research and Technical Publications" which will result from the printing of fewer Soil Surveys in this series.

(3) A net decrease of \$30,000 in the project "Farmers' Bulletins and Other Popular Publications" composed of:

(a) An apparent increase of \$55,000 in printing expenses connected with activities financed with funds transferred from "Salaries and expenses, War Food Administration." The actual increase, however, is only \$8,000 (for posters and war information publications) due to the fact that during the first quarter of the fiscal year 1944 printing expenses amounting to \$47,000, relating to the over-all food program, were charged to the allotment made to the Office of the War Food Administrator from the appropriation "Salaries and expenses, War Food Administration," whereas in 1945 all such expenses are to be financed with this transfer to the Office of Information.

(b) A decrease of \$85,000 in direct appropriated funds due to curtailment (relating to costs financed with the direct appropriation) of printing costs applicable to the crop insurance program, reduction in quantity and number of pages of miscellaneous publications, reduction in number of leaflets in the agricultural war information series, and a more rigid control of distribution of printed matter.

CHANGE IN LANGUAGE

The estimates include proposed changes in the language of the next to the last proviso of this item as follows (new language underscored, deleted matter enclosed in brackets):

Provided, That the Secretary may transfer to this appropriation from the appropriation made for "Conservation and Use of Agricultural Land Resources" such sums as may be necessary for printing and binding in connection with marketing quotas under

the Agricultural Adjustment Act of 1938, and from funds appropriated to carry into effect the terms of section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), as amended, such sums as may be necessary for printing and binding in connection with the activities under said section 32, and from funds appropriated for [parity payments under section 303 of the Agricultural Adjustment Act of 1938] "Salaries and expenses, War Food Administration," such sums as may be necessary for printing and binding in connection with [such payments] functions assigned to the Office of Information by the War Food Administrator:

The first change in language deletes the authority for transfer of amounts for printing and binding from funds made available for parity payments under the Agricultural Adjustment Act of 1938, since no estimate or authorization for this program is contained in the 1945 Budget.

The second change proposes language authority for transfer of funds from the appropriation "Salaries and expenses, War Food Administration" in order to provide in the Office of Information funds for printing expenses for the over-all food education program of the War Food Administration. The funds so transferred would not include funds for printing and binding of food orders, or of administrative or informational material by constituent offices or divisions of the War Food Administration.

WORK UNDER THIS APPROPRIATION

Objective: To procure annually the wide variety of forms, schedules, and certificates indispensable to the operation of the agricultural programs, for which the Department is responsible; to secure the printing necessary to make available to farmers information for gearing in their operations with the established national production goals which must be reached to insure the success of the war food program; to make available to the public generally essential wartime consumer information on conservation and use of farm products; to keep Department staff workers, collaborators in Washington and in the field advised of agricultural program developments; to make known the results of research conducted in Department laboratories and field experiment stations.

Problem and necessity: The Department's programs, especially those dependent to a high degree on widespread farmer participation for success, require annually a large number of operating forms and printed publications. Responsibility is centralized in the Office of Information for getting the maximum benefit from printing funds, and for procuring promptly and in sufficient quantities from the Government Printing Office or from commercial sources, when necessary, forms and printed matter indispensable to program and day-to-day work; by so controlling and planning the printing expenditures, it is possible for all types of printing requirements to be met to a maximum extent and to effect economies by consolidating printing orders and by adopting measures resulting in paper and composition savings.

Progress and Current Programs: Total expenditures for job printing, including letterheads and binding, were somewhat less in the fiscal year 1943 than in 1942, owing chiefly to decreased expenditure of the funds transferred into the central printing and binding fund. Some savings resulted from close supervision given through the fiscal year to printing of forms in order to conserve paper and to utilize lighter and less expensive paper stocks.

In the second category of printed material, covering reports, periodicals, and other regulatory service and administrative publications, several printed annual reports, principally those of several staff offices of the Department, were discontinued. Annual Reports of bureau chiefs contained only half the number of pages used in the 1942 fiscal year. All periodicals were closely supervised to hold down the number of pages, as well as size of each issue. One new periodical, "Bibliography of Agriculture," was authorized to complete the consolidation of several bibliographies previously issued in mimeographed form.

The plan put into effect in 1942 to put aside all printing not contributing to the agricultural war effort has been continued into the 1943 and 1944 fiscal years. All technical and scientific publications are put to the rigid test of usefulness in wartime, and publications in other series are adapted to further agriculture's part in war operations. The Agricultural War Information Series was established to facilitate the supplying of demand for brief and to the point information on farm and home aids to increase production on the farm and maintain equipment in the farm home in the face of shortages of materials and fewer farm workers. Printing funds were carefully administered by the Office of Information to provide maximum direction in use of funds for publications for war purposes. A few examples of the new publications or subjects directly related to war activities issued during the year were: Substitutes for Scarce Materials (on the farm), Wooden Fences and Gates that Conserve Critical Materials, Wartime Canning, Fight Food Waste in the Home, Safety for the U.S. Crop Corps, National Wartime Nutrition Guide, Strip Cropping for Bigger Yields, 99 Ways to Share the Meat, Wartime Feed Mixtures for Chickens, and several leaflets explaining how to make farm household equipment last longer.

It is planned to continue the central control of printing and binding funds for the Department, including the War Food Administration, in the Office of Information.

A description of the printing items listed under projects 2, 3 and 4 follows:

Reports, periodicals and other regulatory,
services and administrative publications

Administrative Series: Publications containing information of miscellaneous character and intended for the training, instruction, or

information of Department employees only.

- (a) Agriculture in the Americas: Promotes a better understanding of the need for inter-American agricultural cooperation; reviews significant happenings in this field and serves as a forum for discussion of agricultural problems in the Americas; distributed monthly to Department workers, libraries, cooperating federal and state agencies, Ministries of Agriculture in Latin American countries, and Latin American Diplomatic representatives, Latin American Universities, and representatives of key exporters, trade journals, etc.
- (b) Agriculture Decisions: Decisions of the Secretary of Agriculture under the regulatory laws administered in the Department of Agriculture.
- (c) Agricultural Situation: To inform key groups of the economic situation with respect to agriculture. It includes statistics on production, movement, consumption, prices and purchasing power of commodities and is sent monthly to crop reporters, economists, technical workers, department officials, extension agents, and cooperating agricultural agencies.
- (d) Annual Reports: Many annual reports are required by law for the purpose of making a permanent record of the work performed during the preceding fiscal year.
- (e) Bibliography of Agriculture: This monthly periodical records the world's current agricultural literature in concise and convenient form for the research workers, extension specialists, writers, lecturers, administrators, libraries, and institutions that require this information in their work.
- (f) Congressional Documents: Copies of Congressional bills, resolutions, reports, directories. Congressional Records are obtained only for use by Department personnel.
- (g) Consumers' Guide and Supplement: Circulated to key groups and individuals who serve as focal points in disseminating further information of value to consumers. Financed principally out of funds transferred from the Food Distribution Administration.
- (h) Crops and Markets: Statistical information on crop and livestock estimates, market information, reports on supplies, stocks, commercial movements, etc.
- (i) Experiment Station Record: Designed to keep research workers in agriculture and home economics informed of current scientific developments, with particular reference to the research reports from State Experiment Stations.

- (j) Extension Service Review: Serves to keep extension agents familiar with current developments in the Department and the various state colleges; issued monthly.
- (k) Farmers' Bulletin Lists: Furnished to Members of Congress, extension agents, and farmers to show current available publications.
- (l) Foreign Agriculture: Highlights in the current world agricultural situation, including production, trade and demand indices; analyses of agricultural imports and exports and current policies of foreign governments with respect to agriculture.
- (m) Forest Folders: Directed to the users of the national forests to encourage careful and proper use of these areas as a safeguard against forest fires.
- (n) Indexes: Invaluable because of the large number and numerous series of publications printed.
- (o) Instructions and Information--Field Workers, AAA and WFA: Consists chiefly of letters of an administrative nature, instructions, and procedures for Agricultural Adjustment Agency committeemen to follow in administering the Department's conservation and adjustment programs; and instructions to field workers.
- (p) Journal of Agricultural Research: Technical reports of basic research conducted in the Department and State experiment stations; distribution only to selected libraries.
- (q) Land Policy Review: Reports significant results of research and study in fundamental agricultural problems; issued quarterly.
- (r) Monthly List of Publications: Announces the availability of new and revised publications.
- (s) REA News: Issued monthly to provide information on the progress and development of the rural electrification program.
- (t) REA News Separates: Issued in larger quantities than the regular issues of the News; contains useful information to consumers of electricity on REA cooperative lines.
- (u) Service and Regulatory Announcements: Orders and notices of a mandatory character to effectuate regulatory programs.
- (v) Secretary's Regulations: Regulations and orders of a regulatory nature, such as determination of fair prices, etc., issued by the Secretary.

- (w) Soil Conservation Magazine: Contains administrative information to members of the field staff of the Soil Conservation Service and provides specialists of the Service and cooperating agencies with current technical and scientific knowledge in soil conservation and related fields.
- (x) Statistical Report (Prepared by Yearbook Com.): Previously included in the Yearbook of Agriculture, now published separately for purposes of economy.
- (y) Unnumbered Publications and Reports and Reprints: Those of specialized character, for administrative use, restricted distribution, or of temporary usefulness, though each is important in its own field. Two examples are: "Planning Meals for Industrial Workers" and "Let's Talk About Farm Labor and the Wartime Job."
- (z) USDA: Informs all employees in all agencies of Department-wide policy, action and war operations.

Yearbook: An annual publication required by law presenting new developments in Agriculture; provides a permanent chronological record of agricultural history year by year. Discontinued indefinitely with the 1942 Yearbook. Reprint of the 1942 Yearbook was authorized in the 1944 Appropriation Act.

Research and Technical Bulletins

- (a) Bibliographical Bulletins: A new series started in response to war-time demand for information, particularly from the armed services. Each bulletin in the series will carry all the available or pertinent references on the important subject concerning which information is sought. Annotations are given of the material in the publications listed in the bulletin.
- (b) Circulars: Semi-technical reports on current results of the manifold research programs of the Department. Some examples are: "Harvest sprays for control of fruit drop"; "Production and fertilizer use of urea"; "Pure-seed production of Egyptian-type cotton"; and "Control of insects attacking stored tobacco and tobacco products."
- (c) Commodity Statistics: A series economically printed by offset carrying data on important agricultural crops and commodities showing present status and long-time trends, compiled by the Food Distribution Administration from various sources for use by producers, distributors, statistical analysts, and Government administrators and groups requiring the information.
- (d) Experiment Station Bulletins and Reports: This series is used to report the results of work done at the insular research stations, including the annual reports of the insular stations.

- (e) Journal of Agricultural Research Separates: Since the bound copies of the Journal itself are sent to a very restricted list, separates are printed for scientists who request technical information on the specific subject covered.
- (f) Physical Land Surveys, SCS: A series containing reports of surveys of the land in soil conservation districts to determine the soil types, slopes, and past erosion of the area. From these data the capability classes of the land are determined and its maximum use indicated for crop production under the recommended soil-conserving cultural practices.
- (g) Reprints and Revisions (general): Consists of reprints of older publications such as Department Circulars and Miscellaneous Circulars containing scientific information of current value.
- (h) Reprints of Outside Articles: The purchase of small numbers of reprints of current technical material prepared by Department scientists but printed in non-governmental publications.
- (i) Soil Surveys: Survey maps and textual information used in connection with the coordination of broad land-use programs of the Department and cooperating agencies; especially useful in program formulation by the Extension Service, colleges of agriculture and experiment stations, and Federal and private credit agencies.
- (j) Statistical Bulletins: All statistical publications including those on future trading. An example is "Statistics on Receipt and Distribution of Sugar in the U.S., 1934-1939."
- (k) Technical Bulletins - New and Reprints: Form a permanent record of research results for Department scientists, cooperating institutions and scientists of the experiment stations. Valuable research results are published in this series to enable the public to obtain the information in a usable form.

Farmers' Bulletins and Other Popular Publications

- (a) AAA - Publications, Regional: Used to disseminate essential information to individual farmers eligible to participate in the farm programs; also designed to inform the general public on the work of the program and its relationship to other phases of our national life.
- (b) AWI - New and Reprints (folders): Illustrated folders with pointed suggestions encouraging good nutrition, conservation of farm and home equipment and supplies, etc., as a part of the job of winning the war.
- (c) BAE-EXT, Fliers: Emphasizing the need for more production of farm products, care of farm machinery, etc. Some examples are "Feeding to Produce More Milk for Victory", and "Farm Machinery Goes to War". Dis-

continued in 1943.

- (a, e, h, i) Farmers' Bulletins and Leaflets - New and Reprints: The most popular and most widely distributed publications of the Department; contain practical information on many agricultural subjects. Four-fifths of all Farmers' Bulletins are distributed by Members of Congress; furnished only upon request.
- (f) Farmers in the War: A series of 6-10 page pamphlets interpreting the effects of the war on farm prices, land values, taxation, etc.
- (g) Federal Crop Insurance Publications: Distributed through State and county farmer-committees to acquaint farmers with the general operation of the crop insurance program and explains how farmers may avail themselves of the benefits of the program.
- (j) Miscellaneous Publications, New and Reprints: Those not of octavo size, or containing material of miscellaneous nature not suitable for the regular series, and often prepared for dissemination of information on specialized projects. Three examples are the following: "Food for Freedom by Better Range Conservation Practices in the Pacific Northwest (#514)"; "Commercial Dehydration of Vegetables and Fruits (#524)"; "A Victory Gardener's Handbook on Insects and Diseases (#525)."
- (k) Posters: For use in connection with special campaigns such as forest fire protection and the Food-for-Freedom campaign.
- (l) REA Publications: Two examples of these are booklets on "Care and Use of Your Electric Range"; "Care and Use of Your Refrigerator."
- (m) Statistical Separates: Separates from the statistical reports, formerly included in the Yearbook of Agriculture.
- (n) Yearbook Separates: Consists of specialized articles and tables, printed as demand is apparent in small volume, mainly for use in answering correspondence.

(c,

(c) Reproduction of 1942 Yearbook of Agriculture

Appropriation Act, 1944	\$178,000
Budget estimate, 1945.	<u>- - -</u>
Decrease	<u>- 178,000</u>

PROJECT STATEMENT

	1943	1944 :(estimated):	1945 :(estimated):	Increase or decrease
Reproduction of 1942 Yearbook of Agriculture.	-	178,000	-	- 178,000(1)

DECREASE

(1) The decrease of \$178,000 is due to the elimination of a nonrecurring item appropriated in 1944 for reproduction of the 1942 Yearbook of Agriculture, the requisition for which was placed with the Public Printer on July 16, 1943.

CHANGE IN LANGUAGE

The estimates propose the deletion of the language for this nonrecurring item, as follows (deleted matter enclosed in brackets):

[Reproduction of 1942 Yearbook of Agriculture: For printing and binding 231,250 copies of the remainder of the quotas for the Senate and House of Representatives of part 2 of the annual report of the Secretary of Agriculture (known as the Yearbook of Agriculture, 1942, entitled "Keeping Livestock Healthy"), as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241), \$178,000]

Since this was a nonrecurring item in 1944, the appropriation language therefor is no longer needed.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS

	:	: Estimated :	Estimated
	:Obligations:	Obligations:	Obligations,
	: 1943 :	1944 :	1945
Supply and Distribution of	:	:	:
of Farm Labor. For informa-	:	:	:
tional services for the Office	:	:	:
of Labor, WFA	: - :	\$5,145(a):	-
	:	:	:

(a) Available for obligation until January 31, 1944 under the provisions of Public Law 217, 78th Congress. Supplemental estimate (House Document 346) for calendar year 1944 for this program has been submitted to Congress.

LIBRARY, DEPARTMENT OF AGRICULTURE

(a) Salaries and Expenses

Appropriation Act, 1944	\$468,932
Transfer, 1944, from "Administrative expenses, Commodity Credit Corporation"	+750
Anticipated deficiency for overtime pay required by the War Overtime Pay Act of 1943	+74,301
Total anticipated available, 1944	543,983
Budget estimate, 1945:	
Direct appropriation	\$543,233
Transfer to be available in 1945 from "Administrative expenses, Commodity Credit Corporation"	+750
Total available, Budget estimates, 1945	<u>543,983</u>

PROJECT STATEMENT

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
1. General administration	\$45,032	\$47,326	\$47,326	- -
2. Acquisition of publica- tions and preparation for use	150,326	153,871	153,871	- -
3. Bibliographical services	86,335	100,421	100,421	- -
4. Reading and reference services	92,829	93,431	93,431	- -
5. Field library services	132,386	148,934	148,934	- -
Covered into Treasury in ac- cordance with Public Law 674	75	- -	- -	- -
Unobligated balance	2,174	- -	- -	- -
Total available	509,157	543,983	543,983	- -
Received by transfer from "Administrative expenses, Commodity Credit Corpor- ation"	-750	-750	-750	
Other appropriations (as shown in Budget schedules)	-361,977	- -	- -	
Anticipated deficiency for overtime pay	- -	-74,301	- -	
Total estimate or appropriation	146,430	468,932	543,233	

Statement of Overtime Costs

	1943	Est. 1944	Est. 1945
Overtime absorbed	6,402*	\$11,184	\$10,642
Additional funds for overtime (appropriated, 1943, estimated supplemental, 1944; and in- cluded in budget estimate, 1945)	39,400	74,301	74,301
Total cost of overtime (7 months in 1943) ..	45,802	85,485	84,943

*Difference between overtime cost and supplemental appropriation.

WORK UNDER THIS APPROPRIATION

Objective: To maintain a national agricultural library through providing means for the collection, organization, and use of the valuable information contained in agricultural literature to aid in the formulation and execution of agricultural programs.

Significance and Necessity: Effective library operations help to avoid duplication of research and costly mistakes by bringing to bear on all research, administrative and agricultural production, distribution and related problems (most particularly at present, in relation to current war conditions) the wealth of experience and judgment recorded in agricultural literature. It is necessary, therefore, to acquire through purchase, gift, and exchange, agricultural scientific, technical and economic books and periodicals needed in the work of the Department; to make the contents of the Library readily available by classification, cataloging, indexing and otherwise; to administer all of the library and bibliographical work of the Department in Washington and in the field; to compile bibliographical tools for the use of the Department staff and others both in Washington and the field; to procure copies, on film or otherwise, of material required to fill gaps in the collections; to provide translations of correspondence and articles from foreign languages; to extend to the field staff of the Department, library service comparable to that rendered in Washington; to provide information requested by agricultural workers in the land-grant colleges and experiment stations; and to serve as a liaison agent between all field staff and the library facilities in their localities as well as in Washington.

The Department of Agriculture Library is the only active Federal library service in this field, and the principal source of agricultural literature.

General Plan: Through a central library in Washington and nine branches and several sub-branches throughout the country; the Library serves the staff of the entire Department, as well as making its services available to public and private agencies and individuals interested in agriculture. As a result of the consolidation of the Department libraries, the Library is endeavoring to support research and administrative programs of the Department to the extent to which they must be provided with Library service if they are to function without wasteful duplication of effort and unnecessary repetition in research. Through a specialized and intensive bibliographical service, the Library is providing bibliographies which make available to the men in the field the content of literature received, and is providing special research to precede administrative decisions or inception of research projects so that administrators and research men in the Department may have all available knowledge about the work they are charged with doing.

Progress and Current Activities: The following examples of recent accomplishments under this appropriation are cited by projects.

(1) General administration: All the Library technical routines have been streamlined in order to free the greatest possible amount of time to be spent on wartime problems. Reference circulation, and bibliographical services rendered to the Department staff in Washington and in the field, as well as to other war agencies, have increased greatly.

During the year, book and periodical circulation totaled more than 1,000,000; reference questions increased from 53,241 in 1942 to 129,110 in 1943; and services were extended to thousands of Department staff members who never before had received service from the Library.

(2) Acquisition of publications and preparation for use: The Department Library now orders all published material for the Department staff members in Washington and in the field and obtains by gift and exchange several times as much material as it acquires by purchase; catalogs materials for the Department Library and twenty-three branch and sub-branch libraries; prepares for use and supervises the binding of library materials; maintains inventory records of all publications in the Department to make them available to every worker in the field of agriculture. An inventory is now being made of all the published materials belonging to the Department, and including materials filed both in Washington and in the field, which, when completed, will add to the list of publications available to all the staff of the Department as well as to the staffs of cooperative agencies, several hundred thousand books which were formerly not generally available. A positive result already accruing from this inventory is that it has located a number of copies of books that are little used in their present location, which can be reassigned to those who need them most instead of purchasing new copies. An outstanding accomplishment of the past year has been the acquisition of a considerable amount of scientific literature published in Axis and Axis-dominated countries, which is urgently needed for the warwork of the Department and of other government agencies.

(3) Bibliographical services: The Department Library, with a professional staff having special subject background for the work they are doing, provides a bibliographical clearinghouse for all workers in the field of agriculture. It also compiles a bibliography of Agriculture which makes available to all Department staff members in Washington and in the field the content of the literature received in the Department Library. Two sections were added to the Bibliography of Agriculture, namely: - "Forestry" and "Food." The scope of this publication has been broadened to include human nutrition, animal industry, and other agricultural subjects not previously covered. It is estimated that the annual volume will include more than 50,000 references. The processed series of bibliographies "Library List" has been continued and the following numbers issued, No. 3, "Rationing" and No. 4, "Agricultural Labor in the United States July, 1941-February, 1943." Typical contributions to the war effort are bibliographies on Japanese in American Agriculture, dehydration of foods, army camp louse control, "A Summary of the Literature on Milkweeds and Their Utilization," and other special researches related to the war work. Approximately 13,000 periodical and serial publications representing the proceedings of societies and associations in the field of agriculture, and government reports from foreign countries, etc., were received in the Library during the past year. The major part of this material is not indexed in any form elsewhere, and unless it is indexed by the Library, research workers and administrators have no way of using this valuable material. During the year typewritten lists were compiled on more than 100 subjects which were of vital concern to the Department in its wartime programs.

(4) Reading and reference services: The responsibility for all reference work, including the manning of the reference room and answering thousands of requests for information, the charging and discharging of books and periodicals, and obtaining from the shelves and returning to them all books used in the reference and circulation service, is centralized under this project. Attendance in the reading room for the past fiscal year totaled 51,648 an increase of sixteen percent over 1942. The number of reference questions during the past fiscal year total 68,454, an increase of sixty-one percent over 1942; reference questions received by mail increased twenty percent over 1942. The improvement in quality of reference and bibliographical assistance, the establishment of objective standards of work and the training of staff members to fully meet these standards, as well as the reorganization of the Circulation Section for more efficient service, have been outstanding accomplishments during the past year. The further streamlining of the work to eliminate all duplication of effort and non-essential records and procedures will continue to be stressed.

(5) Field library services: The outstanding accomplishment of the past year, or the phase of work from which the most fruitful eventual results seem most likely to be obtained, is the use of Library materials by Department workers who have never before had access to them. By far the largest percentage of reference questions relate to some phase of war activity. The libraries at many branches are serving workers engaged entirely in war work. Further consolidation and integration of field library activities within the network of nine branches, fourteen sub-branches, and eleven stations has been the major task of the division since it began functioning on July 1, 1941. During the coming year it is planned to perfect routines and procedures so as to make sure that every Department worker in the field obtains the information in print which will help him to do his job better.

(b) Working Funds (Library, Department of Agriculture)

This budget schedule covers obligations under an advance, pursuant to Section 601 of the Economy Act of June 30, 1932, from the Public Buildings Administration for rental of space for protective storage of irreplaceable materials.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS

Item	Obligations, 1943	Estimated obligations, 1944	Estimated obligations, 1945
Working Fund, Library (Advance from Public Buildings Admin- istration): Rental of space required for the protective storage of irreplaceable materials, Lincoln, Nebraska ..	- - 1/	\$933	- -
Total Obligations under Supple- mental Funds	- -	933	- -

1/ The Public Buildings Administration paid for this space, during the fiscal year 1943, from funds appropriated specifically for the protection of Government property from bombings.

BUREAU OF AGRICULTURAL ECONOMICS

(a) Economic Investigations

Appropriation Act, 1944	\$2,127,236
Transfers, 1944, from other appropriations (as shown in detail below)	+229,627
Anticipated deficiency for overtime pay required by the War Overtime Pay Act of 1943	+348,000
Total anticipated available, 1944	<u>2,704,863</u>
Budget estimate, 1945:	
Direct appropriation	2,475,236
Transfers to be available in 1945 from other appropriations (as shown in detail below)	+245,377
Total available, Budget estimate, 1945	<u>2,720,613</u>
Increase (in transfer)	<u>+15,750</u>

PROJECT STATEMENT

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
1. Economics of production ..	\$1,165,943	\$1,232,613	\$1,272,613	\$+40,000
2. Prices, income and marketing	578,880	610,000	610,000	- -
3. Farm population and manpower	405,419	428,000	428,000	- -
4. Program analysis and service	321,847	434,250	410,000	-24,250
5. Flood control, general ..	59,723	- -	- -	- -
Covered into Treasury in accordance with Public Law 674	29,570	- -	- -	- -
Unobligated balance	24,599	- -	- -	- -
Total available	<u>2,585,981</u>	<u>2,704,863</u>	<u>2,720,613</u>	<u>+15,750</u> (1)
Transfers to other appropriations (as shown in Budget schedules)	+68,955	- -	- -	
Received by transfer from:				
"Salaries and expenses, War Food Administration" ...	-18,362	-114,250	-130,000	
"Administrative expenses, Commodity Credit Corporation"	-62,933	-62,933	-62,933	
"Salaries and expenses, Federal Farm Mortgage Corporation"	-52,444	-52,444	-52,444	
Transfers from other appropriations (as shown in Budget schedules)	-1,833,899	- -	- -	
Anticipated deficiency for overtime pay	- -	-348,000	- -	
Total estimate or appropriation	\$ 687,298	\$2,127,236	\$2,475,236	

INCREASES AND DECREASES

(1) The net increase of \$15,750 consists of an increase of \$40,000 under Project 1, "Economics of Production" for intensive work on production problems connected with the war program of the War Food Administration, and a decrease of \$24,250 under Project 4, "Program Analysis and Service" due to a reduction in the amount for special surveys and program service for the War Food Administration. These changes involve only funds transferred from the War Food Administration.

Economics of Production: This increase of \$40,000 is intended to cover the cost of necessary studies into the many special problems in farm economics which are constantly arising as a result of wartime shortages and adjustments. It is impossible to predict in advance what the specific problems to be met in the fiscal year 1945 will be, but examples of the type of situations with which the Bureau must be prepared to deal are the present serious feed shortage; the problem of harvesting soybeans, peanuts, dry beans and other crops, with an insufficient supply of harvesting machinery, and the need for effecting the best utilization of the limited supply of fertilizer. This project is designed to meet the need for short intensive studies and surveys on critical problems connected with agricultural production as they arise.

WORK UNDER THIS PROJECT

Objective: To analyze data on the economics of production and to assist with programs to bring about adjustments in agricultural production to meet war needs, and at the same time to help build up the agricultural industry along sound lines. The Bureau was made a staff agency of the Department for the express purpose of serving the whole Department as its economic fact-finding and analyzing agency. As a staff agency it takes the leadership in developing background data and analyses that serve as a foundation for specific production and distribution programs.

The Problem and its Significance: The war emergency has created many new farm problems and intensified others. Requirements for food and other farm products have been rapidly increasing, and the current primary concern with maximizing production will continue through the fiscal year 1945 and until the war and relief needs have been met. Much additional information

is needed with respect to production and potential production of all the various farm commodities. Many obstacles are encountered in carrying out plans for increasing production, including deficient manpower and scarcity of machinery and other necessary materials. Finding ways and means of overcoming these obstacles is taking a large part of the attention of the Bureau.

In order to obtain maximum production with a minimum of loss and waste, the Bureau aims to point out ways of meeting critical situations as they arise by having available enough trained personnel and basic information to enable it to suggest desirable shifts in production and changes in farm practices. For example, continuous work is needed to indicate ways in which livestock can be balanced with feed supplies in different areas, how limited equipment can be used most effectively, and in what areas and under what conditions it is possible to obtain increases in strategic crops.

With the cessation of hostilities, there will be need for analyzing ways of maintaining some of the desirable adjustments which have taken place in some areas. At the same time wartime dislocations will need to be corrected. Careful study must be made of the more permanent place of peanuts, soybeans, and other strategic war crops in the farming systems of the areas where they are now grown. Production adjustments need to be outlined that will maintain the farm plant, make full use of technological developments and develop and preserve desirable levels of living on American farms.

Plan of Work: Work now being done on measuring agriculture's production capacity and in meeting the many problems connected with wartime farming will be continued. Analytical studies will be continued on determining farmers' needs for machinery, tools, repairs, fertilizer, seeds and all of the other scarce materials and to help make these available in the quantities needed. Methods of securing more effective use of labor and scarce materials will also be worked out, as well as better utilization of farm machinery and other production resources. The staff will work with the action agencies of the Department in preparing and making available additional information which will be helpful in the development of the agricultural war program.

Progress and Current Program:

The production capacity of American agriculture: For the third year in the present emergency the Bureau has taken primary responsibility for the Nation-wide study of potential agricultural production and has worked with the States and with other Federal agencies in developing an adequate research background for wartime production programs. Continuous research on farm management problems arising in connection with the production program is carried on for the purpose of assisting administrative agencies and farmers in meeting new situations brought on by war dislocations.

The 1942 capacity study indicated the "feasible production in 1943;" assuming continuation of programs and systems of farming as they were operating in the spring of 1942. For some of the more urgently needed food products, estimates were provided of "potential" production possibilities. These explored the areas where production could be greatly

expanded at the expense of other production if necessary, inquired into the products that would be displaced, and described the conditions under which such production could be brought about. That study was completed in August 1942 and was used both in determining the national goal levels for 1943 and in developing suggested distributions of these goals between States.

In the study which was started early in 1943, major emphasis was given to the kinds and amounts of foods needed for the war effort and to the adjustments that would be necessary to enable each production area, State, and region to make its maximum contribution in terms of these needs. The estimates were in terms of balanced production; i.e., acreages of feed crops and numbers of livestock have been related and cash crops, together with the feed crops, add up to the acreage of land available for cropping. This is a wartime capacity estimate (a capacity that can be achieved by the end of 1945 and at least temporarily maintained at that level).

Having established the maximum level of production, the States were also asked to indicate how far we could go toward attaining maximum capacity during 1944. The latter estimate was used in developing agricultural goals by States for 1944.

The extent of the readjustments which will probably be necessary in agricultural programs at the end of the war can hardly be overestimated. With agriculture and industry geared to a wartime program, it is important for leaders to look forward to the immediate demobilization period and to the eventual return to a peacetime status. As a step in this direction, the Bureau in cooperation with other agencies is now working on a study of production adjustments which analyzes the prospective situation year by year, and also looks forward to changes that might be needed over a period of years. This will serve as the basis for future production programs, and for post-war adjustment and rehabilitation programs.

By having well in hand the economic facts and analyses needed for readjustments, the Government will be forearmed in resisting the influences leading to depression and hardship for American farmers.

Using resources to meet food needs: An outstanding 1943 contribution to wartime food problems was made in the mimeographed report entitled, "Using Resources to Meet Food Needs." This report considers in detail the relative efficiency in output of food nutrients per unit of resources used in their production. Average outputs of the principal food nutrients per acre, per hour of labor, per 100 pounds of feed and per unit of farm and nonfarm resources were worked out for a number of the principal farm products. This information brings together an important segment of the nutritional and resource information upon which can be based plans for using present limited resources to meet increased war food needs as fully as possible. This study has had wide use within the Department in development of the War Food Program.

Feed Resources: The problem of keeping feed and livestock production in proper alignment with each other and with the food needs of the Nation

has reached serious proportions. Much work was done during the year in order that those working on production capacity, and on achievement of livestock goals, might be supplied with estimates of the feed-livestock balance, revised currently as needs dictated.

United States Department of Agriculture Circular 670, "Feed Consumption by Livestock, 1910-41," was prepared and published in April 1943. This report was preceded and followed by several current reports on the feed balance for the United States. The July report points out that the large crop of concentrated feeds that was produced in 1942 was being fed at such a rapid rate that the carryover of feed grains on October 1, 1943 was more than a million tons less than the supply of a year earlier. These up-to-the-minute data on supplies of various feeds, and production obtained from feeding given quantities to each class of livestock, have been one of the main considerations in arriving at recommendations for increased or decreased production of each class of livestock product in 1944. In several instances the Bureau has analyzed feed and livestock balances on State and regional bases. This type of breakdown of the national feed problem is a necessary guide to State-by-State livestock production programs.

Machinery needs of wartime agriculture: During the year the Bureau continued its wartime studies of farm machinery and farm power. Information on the machinery situation and on farmers' machinery needs has been obtained each year since 1939 from more than 25,000 crop correspondents. During the last fiscal year information was collected on number, size and age of 22 principal farm machines, and for each of 15 machines, on the amount of work performed annually and during 10 hours of use in 1941. Results of the various machinery studies have been used in current wartime machinery problems. The 1941 Tractor and Rubber Tire Study has been effectively used for estimating rubber tire needs for agriculture in both 1942 and 1943. The results have been of use also in determining regional needs for motor fuel, and for other purposes. The 1942 study provided standards of use which were used in rationing machines, and in allocating machines by States.

Two additional studies having a bearing on farm machinery and farm power were initiated early in 1943. One of these was concerned with milking machines, and the other had to do with the work stock situation on farms.

A special study was made of the use of milking machines. Results of this study, which discussed savings in labor affected by milking machines, and the life of the rubber equipment, are summarized in a report, "Labor Aspects of Machine and Hand Milking." The second study will supply information on the feed needs for horses and mules.

A number of special studies have been made during the year, all of which bear upon the wartime production program. Among reports issued may be mentioned the following: "Grain-Milk Price Relationships by Regions"; "Producing Wheat for Feed in the Western States"; "Number of Workers Needed on Farms in 1942"; "Farm Returns with Comparisons"; "Adjustments to Increase Production of Essential Agricultural Products in the Northeast"; "A Guide to 1943 Farm Adjustment"; "Tomato Trends by

Areas"; and "Feed Balance for the U.S." A great deal of additional information has been prepared in preliminary form to be used by various action agencies.

Impact of war on financial structure of agriculture: The progress of the war has brought into focus new problems in the field of agricultural finance which have required redirection of research activities. Repayment of debts and increased cash balances have characterized the credit position of farmers in the aggregate. Preliminary estimates indicate that farm-mortgage indebtedness in 1942 declined by about \$365,000,000 to a total of \$6,350,000,000. In the same period, farmers' borrowings on non-real-estate security were decreased slightly despite the substantial increase in production cost. This is a picture far different from that during World War I, when agricultural indebtedness increased sharply.

With the development of our war economy, it has become necessary to give special attention to the changed setting of mortgage-credit problems. Because mortgage credit is so closely tied up with fiscal and other economic aspects of the war economy, it has been necessary to look beyond the confines of the mortgage-credit field for guides to the use of credit and for standards in the appraisal of particular mortgage-credit proposals. Studies have been made and reports prepared on questions such as the following: (a) The impact of the general credit expansion associated with the entire war program upon the farmer and his debts; (b) the contribution that mortgage-credit policies and other financial arrangements can make to the placing of agriculture on a war footing; (c) the altered functions of mortgage-credit in World War II as compared with World War I arising out of the greater emphasis given to direct controls in the redirection of agricultural production; and (d) the implications of possible post-war economic policies and developments for mortgage-credit policies.

With the rapid rise in farm land values, the condition of the farm debt structure assumes increasing importance. In order to ascertain changes in the farm-mortgage debt that may be accompanying the higher level of land values, data have been gathered and analyzed relating to outstanding and new loans, sales contracts, repayments, foreclosures and real estate holdings of the principal institutional lenders in the mortgage-credit field.

Cash holdings of farmers increase: The accumulation of unexpended farm income has been reflected in a sharp increase in demand deposits of banks in agricultural areas. Demand deposits of banks (members of the Federal Reserve System) in places of less than 15,000 population in 20 of the leading agricultural States were 88 percent higher in October 1943 than at the outbreak of the war in December 1941. While this increase reflects the rapid expansion of bank credit in the economy as a whole, it also reflects the restricted outlets for spending of farm income for equipment and improvements, durable consumer goods, etc. If farmers resist the temptation to utilize deposits in country banks unwisely, these deposits as such, or through their investment in war bonds, may be retained as reserves for re-equipping farms with machinery and buildings.

Special analyses have been prepared for use of the Department and other agencies on many phases of farm credit, as well as on taxation problems and proposals.

Accident prevention and insurance: The 1943 food production goals aimed at the highest crop production in history. Yet large numbers of experienced farm workers had been called to service and to war industries, making it necessary for the farmers to depend on inexperienced, youthful help. State compensation laws are generally not applicable to farmers and the frequency of fatal accidents in farming is above average for all industries. Wartime conditions only set the stage for a higher frequency in farm accidents.

With these conditions in mind, this Bureau, working with the Extension Service and the Health and Accident Underwriters Conference, arranged with 64 insurance companies for the issuance of a special "VFV" Accident Policy, at a much reduced rate, which was made available throughout the United States to workers in the Victory Farm Volunteers and Women's Land Army divisions of the U. S. Crop Corps. A leaflet, "Insurance Protection Against Farm Accidents," was prepared for the Extension Service and inserted as a section in the Victory Farm Volunteer Handbook for the use of State Extension Directors, and a report, "The Prevention of Accidents on Farms and In Homes" brought together the available information on farm accidents.

Workmen's compensation insurance: A study was made of workmen's compensation insurance for farmers, the need for which has also been intensified by wartime labor conditions. The study revealed that the prescribed minimum premium for this form of protection was disproportionately high in most of the States. The situation was laid before the National Council on Compensation Insurance with the result that the minimum premium charged for this protection was reduced materially in fully three-fourths of the States. The improved situation, which affected primarily small and medium operators, was called to the attention of farmers in a leaflet "Reductions in Workmen's Compensation Insurance Premiums for Farmers." This leaflet was distributed largely by the Extension Service.

Farmers' income tax problems: Increased attention has been given to general fiscal and taxation policy in relation to agriculture. This has been a direct result of the effect of the war on revenue requirements of the Federal Government and on the income of farmers. Special attention has been given to the administrative and compliance aspects of the Federal income tax as it affects farmers. This work has included cooperation with the Division of Tax Research and the Bureau of Internal Revenue in the Treasury Department in studying present procedures as they apply to farmers and looking toward improving them in the future. To help farmers meet their responsibilities under income tax laws, a revision of the pamphlet "Farm Bookkeeping and the Federal Income Tax" was prepared in cooperation with the Extension Service. About 380,000 copies of this pamphlet are being distributed to agricultural workers and farmers throughout the country.

Prices, Income, and Marketing:

WORK UNDER THIS PROJECT

Objective: To conduct research and furnish statistical and economic services covering the supply of and demand for farm products, consumption requirements, prices, parity and comparable prices, income, parity income, purchasing power, marketing costs and margins, price differentials among areas and markets for livestock and other products, post-war disposition of war food processing facilities, the use of air transport for fruits and vegetables, the development of frozen foods and technological improvements in marketing, and other phases of economic research concerned with production and distribution of farm products. This work furnishes factual bases for many action programs of the Department.

The Problem and its Significance: The successful prosecution of the war food program is dependent upon having knowledge of the statistical position of each major farm commodity at all times. It is necessary to determine the impact of wartime changes upon agriculture, and to estimate in terms of production and prices the probable effects of the various measures proposed for stimulating production of needed commodities.

Agricultural production is vastly more complicated today than formerly because of the emphasis put on such vital commodities as oil crops, as well as the shortage of labor, equipment and other necessities of production. For this reason it is more important and also more difficult to maintain the necessary statistical data. Much work is being done on marketing charges, costs and margins, and research is conducted on the effect of price ceilings and other problems connected with price control. There are many difficult problems connected with retail price ceilings which need study, and more information is being demanded constantly by war agencies on food costs, farm income, and related data. The whole problem of price requires exhaustive research, since all of this information has a direct bearing on the Government's policies of maximum production and price stabilization.

Plan of Work: The Bureau will continue to gather and analyze statistics of all important agricultural products in relation to prices and to the purchasing power of consumers, which will make possible the development of production and distribution programs designed to meet real needs. It should be noted that per capita food consumption in the United States has increased during the war years as a result of increased incomes. This must be taken into consideration in any price control program, and in estimating available supplies for post-war world relief or rehabilitation. The Bureau cooperates with the various agencies conducting war programs by furnishing data and analyses of current situations.

Additional work will be done on marketing research in relation to price control and price supports, and to the distribution of scarce commodities. Price controls and other war programs create an acute need for detailed information on the behavior of food prices in different markets. Differences in the time at which price changes take effect in different types of markets cause a great deal of trouble in setting

price ceilings. For example, farm and wholesale prices may decline, while retail prices remain up, thus interfering with efforts to obtain wider distribution of increased supplies. Data on these price lags are frequently requested by war agencies, and more work will be done along these lines. A very large number of inquiries on storage and transportation problems are constantly being received and handled by the Bureau's staff.

Progress and Current Program:

The Bureau has continued to serve as the Department's central source of information and analyses on the demand for, supply, prices, and production of the various agricultural commodities and related data bearing on the agricultural situation. All resources are now directed to the complex national problem of securing sufficient supplies of agricultural products to support fully the United Nations war effort.

Economic and statistical services: The regular economic and statistical services included publications such as the "Commodity Situation Reports," "The Demand and Price Situation," "The Farm Income Situation," "The National Food Situation," "The Marketing and Transportation Situation," and the "Agricultural Finance Review," and the supplying of economic and statistical data to other agencies. The Situation reports, containing current basic data in a given commodity field and an over-all statement of the commodity including a summary of impending developments, provide objective information fundamental to administrative planning. The statistical and economic data supplied to a variety of public and private organizations cover a wide range of agricultural subject-matter such as parity prices, and grade, location, and geographical differentials, particularly with reference to price support and ceiling regulations.

Research on prices: In helping to meet the problem of converting agricultural production to meet the special war needs of the armed forces, our allies, and the civilian population, the Bureau assisted in the development of price patterns designed to achieve the desired changes in acreage and production. Attention also was given to formulating a program of differential pricing for dairy products whereby maximum production of products most needed could be obtained.

Work went forward on the refinement of the parity concept, and on establishing bases of comparability between farm and nonfarm incomes and incomes by the type of farming areas, and for relating parity incomes for farmers to farm prices, consumer demand and other factors.

National food situation: As the national food situation grew in importance, the Bureau took steps to coordinate research in food production and consumption. The National Food Situation Report was put on a monthly basis and it soon became the official organ of the Department on matters pertaining to food supplies and consumption. The Bureau is the central source for both current and historical data on food production and consumption. It supplies such information to all Government agencies interested in food problems.

Marketing margins: The Bureau regularly computes and publishes farm-retail price spreads for 58 foods, as well as many related facts on marketing margins and food costs. As part of this work, at the request of the Office of the Director of Economic Stabilization, a special study was made during the year of the percentage of consumers' income spent for food. This received widespread notice and use, and the statistical series developed will continue to be published monthly. Another compilation of facts relating to price spreads was published as "Cottonseed: Marketing Spreads Between Price Received by Farmers and Value of Products at Crushing Mills."

Work is now under way on an extensive analysis of marketing margins and costs, which is designed to bring together all of the available information on this subject from hundreds of published and unpublished reports and other sources for use by war agencies in connection with margin problems which are constantly arising in connection with price ceilings and other phases of the wartime food program. Possible ways of reducing marketing costs also will be analyzed, and definite approaches outlined. Many demands for such information have been received during the war, and the subject will continue to be of prime importance during the post-war transition period.

Marketing and transportation problems: The Bureau's research in marketing and transportation for farm products has been devoted almost exclusively to servicing war agencies and special programs connected with the war. Numerous research studies of wartime marketing problems have been made. For example, potential methods of conserving tin supplies in food processing were developed.

A report entitled "Fruit and Vegetable Production and Consumption - Geographic and Seasonal Patterns," contained data useful in connection with a number of different programs, including the administration of canned goods rationing, and a report has just been released on processed fruits and vegetables in relation to the supply of tin plate.

At the request of the War Food Administrator several studies of the adequacy of livestock transportation and processing facilities were made. One of these reports was published as "Livestock Transportation and Processing Problems in 1942-43 and 1943-44." Another report was published as "Railroad Facilities for Handling Livestock at Shipping Points in the Corn Belt Region." Less comprehensive analyses of the same type were made for dairy and poultry products.

At the request of a war agency a report was prepared and published on "Estimated Agricultural Requirements for Petroleum Products in 1943."

At the request of the War Production Board and the Office of Defense Transportation a study was made and published as "Perishable Rail Freight Traffic in Relation to Refrigerator Car Supply."

Other reports issued during the year include: "Estimated Volume of Motor Freight for Selected Agricultural Commodities," representing the first known attempt to compile estimates of the total volume of truck traffic in these commodities; "Food Waste and Spoilage in Washington, D.C.,"

which gives data which are much needed in connection with such wartime programs as the determination of appropriate retail markups in establishing price ceilings; "Estimated Lags Between Farm, Wholesale, and Retail Prices for Selected Foods," which have an important bearing on administrative problems connected with price control programs.

Farm incomes by types and sizes of farms: The Bureau has studied the effects of shifts in production and changes in farm organization, farm practices, efficiencies, mechanization, labor use, costs, and adjustments on the economic well-being of families operating typical farms in the various agricultural regions of the United States.

Part of the results from this project have been distributed in public releases and papers. Information has been given also to leaders of farm organizations and to officials on College and Experiment Station staffs. The project has been drawn upon heavily to answer requests of those in public life who are interested in ascertaining farm income and price and cost relationships by types and sizes of farms, efficiencies in production, and use of labor and technological developments.

Analyses have been made of 17 typical farm organizations for the years from 1910 to 1942. Those farms include Corn Belt, Cotton Belt, dairy, winter and spring wheat and tobacco farms. Analysis of income comparisons among farms in different areas and between farmer and nonfarm groups have been made. Comparisons on labor used and wage rates and wage payments in comparison with returns per hour of labor have also been made. This work is a part of some of the major Bureau-wide undertakings.

Farm Population and Manpower:

WORK UNDER THIS PROJECT

Objective: To assist in more effectively mobilizing farm people and rural communities for cooperative effort in solving production and distribution problems and maintaining essential social services.

The Problem and its Significance: The major portion of farm labor required for necessary war production is mobilized in local communities. It has been and is a part of this project to assist in that mobilization by aiding the agricultural extension service to develop neighborhood leaders and organize neighborhoods and communities for manpower mobilization. A recent memorandum from the Office of Labor in the Food Distribution Administration states, "There seems to be a direct relationship between the state that is effectively meeting the current labor situation and the state that has its community and neighborhood leaders functioning." It states further, "There is every indication in the labor picture that we will have a much more acute labor situation than we have now." This project has already contributed greatly to the end of discovering and developing local leaders and assists local communities in mobilizing local farm labor supplies.

It has also contributed greatly in making available a knowledge of the major areas of farm labor deficits and surpluses and assisting farm people and agricultural agencies in meeting their needs for labor not available in local communities. It has gone into labor surplus areas and assisted in the identification and mobilization of actual workers for deficit areas.

The major percentage of farm laborers come from the farm population itself and it is a part of the contribution of this project to make continual estimates of the farm population and farm labor supply by developing and making available knowledge concerning the character and amount of the farm working force. Not only is an annual estimate made of the farm population but the project is so organized as to furnish estimates at any given moment of the status of the farm labor situation. The demand by various agencies for this type of information is almost continuous.

The excessive migration from farms during the war period--an average of over 1,200,000 per year since 1940--has altered, and in many cases jeopardized, the effective operation of community service agencies and institutions. Immediately after the hostilities cease and men begin pouring back into rural areas from the army and the factories, the reverse type of maladjustment will appear in thousands of rural communities due to the fact that they will be faced with the necessity of absorbing these returning workers. At that time the findings of this project will be available to local communities, agricultural and community agencies and the government to assist in making adjustments. Because these adjustments will probably be many and difficult the project will be conducted at the maximum level of its capacity to assist in the mobilization of farm manpower for agricultural war effort, and immediately after the war ends to assist in the problems of the demobilization period.

It is exceedingly difficult to appraise population trends and shifts between Census dates but this project attempts to do so as effectively and efficiently as possible. Serious maladjustments can and will develop and information on probable population dislocations must be continually assembled not only for the use by overhead governmental agencies but by farm people themselves.

Plan of Work: Agencies having the responsibility for recruitment and placement of farm labor are finding that these responsibilities can best be carried out through a decentralized program which reaches down to the local, community and neighborhood level. Studies will be definitely pointed at developing the information needed at these levels.

This project proposes to study a fairly large number of rural communities in each of the major agricultural areas in order to discover how they have organized to handle labor problems within these areas. The work will cover such factors as: (a) The organization or plan adopted

by the local community to solve labor problems; (b) analysis of methods used in determining the community's labor requirements and available labor supply; (c) the extent to which and methods by which farm machinery has been fully utilized by cooperative effort; (d) analysis of methods for recruiting labor; and (e) evaluation of success or failure of various methods and the distribution of results in order that all farm communities may use them as guides for effective war mobilizations.

The findings of the project will be made immediately available to the appropriate agencies and local leaders and will be valuable not only in helping to determine the effectiveness of programs at the local community level but will indicate what additional guidance and help might be provided during the war and post-war period.

A detailed study of one of the major areas of agricultural manpower surplus has already been made and its findings have been used in mobilizing and furnishing labor to deficit areas. A number of requests have been made for similar studies in other areas. An attempt will be made to meet these requests.

In addition to the purely quantitative aspects of the farm population and manpower problem, studies are made to determine the impact of the war upon the level of living and the local institutions which serve farm people in order to ascertain two fundamental things: (a) The extent to which farm people are being disadvantaged in various ways during the war, and (b) institutional and standard of living adjustments which will arise immediately following the war.

Information assembled in this study will be utilized in planning the operating programs of the Department as well as to meet the needs of other agencies charged with the mobilization of manpower. The data will be of such character that they will also assist in farm population and local rural community adjustments immediately following the war.

Progress and Current Program: On all problems relating to farm labor the Bureau cooperates with such agencies as United States Employment Service, the Farm Placement Service, Office of Labor of FDA, and the State and County War Board Farm Labor Committees, as well as other branches of the Department. Basic information on wage rates, potential labor supply in selected areas, methods of analyzing and conserving labor, relations of wages of farm workers to farm income and to wages and incomes of competing employment is regularly furnished and assistance given to the formulation of programs affecting labor.

Early in 1942, in the summer of 1942, and again in 1943 statements were prepared for each State showing the number of hired and family workers needed each month to do the farm job. These estimates were accompanied by and followed with the assembling of crop and livestock data having a direct bearing on the farm labor situation and labor needs. These data, compiled with others, have been used in making estimates of the number of workers needed to harvest specific crops and to produce various quantities of agricultural products on a regional and national basis.

Nation-wide farm population estimates have been made during January in each year for the last 23 years. Because of the drastic shift in farm population during the war period the value of these estimates has been greatly enhanced and the demands for their findings increased. The estimates for 1944 and 1945 will undoubtedly come at a time when their findings will be of greater significance than ever before.

In addition to Nation-wide and region-wide studies there has been in progress for the last two years a systematic semi-annual study in 35 carefully selected counties representing the major type of farming production belts. In this study from 12 to 24 observers per county--all of them resident farmers--continually observe trends and problems in their communities. Every six months a professional worker spends a month in each of these counties during which period he interviews these local farm observers and many other persons and makes a complete report upon his findings in the county. This system of observation has made it possible, and will make it possible, to know what has happened over short periods of time and to foresee problems and issues which are emerging. Immediately upon the completion of each semi-annual appraisal the information obtained is furnished to farmers and farm leaders in the local areas and to State and national agencies.

Program Analysis and Service:

- (2) A decrease of \$24,250 under the project "Program Analysis and Service" due to a reduction of this type of activity for the War Food Administration.

WORK UNDER THIS PROJECT

Objective: The chief objective of this project is to aid the Department administrators in adapting programs to achieve national goals and at the same time to meet rural needs.

Plan of Work: Under this heading are discussed some examples of the programs of national importance in which the Bureau played an important part. Much of the analytical work of the Bureau is directed to current agricultural problems and to present and potential developments in public programs for agriculture. Its work is not limited to any particular subject-matter field but deals with any agricultural problem of real importance. Many of these assignments are of short duration calling for the rapid analysis of timely questions and the preparation of special administrative reports and documents suitable for consideration by the Secretary, War Food Administrator, Department officials, Inter-bureau and Interdepartment committees, and others. Other lines of analytical work are originated by the Bureau in anticipation of problems and questions likely to become critical in the near future.

Progress and Current Program:

United Nations conference on food and agriculture: The Bureau gave a great deal of time and effort to preparing for and participating in the United Nations Conference on Food and Agriculture held in May and June at Hot Springs, Virginia. Assistance was given to the State Department in preparing the agenda of subjects to be considered at the Conference, and a large number of documents were prepared which served as the basis for discussions. These embodied exhaustive information on the agricultural situation, including commodity reports, supplies of food and other agricultural products, world food consumption and nutrition, probable post-war demands, marketing and transportation problems and other matters.

The Bureau's staff participated in the discussions and helped frame the final recommendations. Since this conference was primarily a gathering of agricultural experts, the entire fund of information in the Bureau was drawn upon, in connection with statements from foreign delegations, to help clarify the general understanding on the world's food problems. The need for continuing work on maintaining adequate food supplies for the war and post-war period was stressed by the Conference. This Bureau will therefore continue to assist with the organization of the work of the Interim Commission, set up as a result of this Conference, and with the formulation of plans for a permanent organization for the consideration of international problems of production and consumption of agricultural commodities.

Interbureau program for north-central Washington: In response to numerous requests for assistance from growers in the apple-producing areas of north-central Washington, the Secretary in January 1941 instructed the Bureau, with the assistance of an Interbureau Committee, to develop a program for this area which would carry out the Department's commitments for active collaboration with growers for the permanent solution of agricultural adjustment, credit, family rehabilitation, processing, distribution, and related problems.

Central Valley, California, studies: The Bureau of Reclamation has initiated a series of studies and investigations, the purpose of which is to guide the development of the Central Valley Project along the most useful lines for the prosecution of the war and for the public welfare hereafter. In response to a request from the Bureau of Reclamation, the Department of Agriculture has agreed to collaborate in these investigations, and one member of the staff of the Bureau of Agricultural Economics has been designated as the Washington representative of the Department and another as field representative, and technical personnel have been assigned to work on these studies. Work has been organized in terms of a series of studies designed to answer particular questions concerning the irrigation development and utilization of the resources in Central Valley, California.

Analysis of protein feed deficiencies and the possibilities of recovery of feed from distillers' grains: The expanding program of alcohol distillation for war purposes uses an increasing quantity of grain, much of the residue of which heretofore has been wasted. Analyses made by the Bureau indicate how our feed supplies could be supplemented by the proper utilization of distillers' grains. These findings and recommendations, which include suggestions on the location of new distilleries, the comparative value of various grains for distilling purposes, and the recovery and utilization of the grain residues for feed purposes are now under consideration by the administrators of several agencies in the Department. A representative of the Bureau is acting as chairman of a joint committee representing Agriculture and the War Production Board to pass upon requests for machinery for feed recovery. The original work on investigations and subsequent detailed work has resulted in the program to recover 1,000,000 tons of high protein feed.

Analysis of the seed industry of the United States: Recognizing that one of the potential obstacles to maximum agricultural production in 1944 and later years is the availability of vegetable and other seeds of the varieties and in the quantities needed, the Bureau has undertaken an analysis of the seed situation in the United States with special attention given to the effects of buying and contracting practices upon seed production, monopolistic tendencies in the trade, the extent to which Pure Seed Laws and other regulations handicap production and distribution of seeds and ways in which Department programs can help producers overcome obstacles to production.

Other special analyses: The Bureau collaborates with other agencies in the special analysis of many problems relating to action programs in the Department. For example, one professional member of the staff works with representatives of the Agricultural Adjustment Agency, Soil Conservation Service, Forest Service, and the Grazing Service of the Department of Interior on range management problems and policies with special attention to the integration of the several action programs. As a part of this effort, he serves as Secretary of the Departmental Committee on Agricultural Policies for the West. Studies are undertaken on a variety of specific subjects as needs arise. Recent examples include the preparation of field reports on "Water, Land and People", "The Western Range", and "Water in the West." A more comprehensive technical report has just been completed and published under the title "Grazing Capacity as Determined by Range Surveys."

Another example is the formulation and management of rice programs. In this connection a member of the Bureau serves in an advisory capacity to the Agricultural Adjustment Agency, Office of Price Administration, and the Food Distribution Administration as a member of the Combined Food Board Committee on Rice. These activities require constant analyses of market, price and production developments and require an intimate working relationship with producers, processors and the trade.

Liaison service activities: The Bureau performs numerous liaison services for the Department in connection with its collaboration with the War and Navy Departments, War Production Board, and other war agencies. Much of this work concerns problems arising through the establishment of military camps, bombing ranges, airfields, and war plants in rural areas. Other special assignments involve gathering factual information to show what effects regulations and orders established by war agencies are having upon agricultural production and rural families.

Spot surveys and analyses of program problems: To assist administrative officers in making decisions, the Bureau obtains up-to-the-minute information on specific agricultural problems by interviewing selected samples of the population on a national basis or on a local basis, as the case may require. Samples are carefully designed to represent accurately the population pertinent to the problem in hand.

By skillful use of the sample interview method, the Bureau gets pertinent facts on any particular problem. It finds out what the thinking of the people is, what obstacles must be overcome before a program can be successfully carried out, and what steps are likely to prove helpful in deciding upon courses of action. Few administrators attempt to operate the complicated programs dealing with the problems of wartime government without some information on the nature of the problems involved, the probable consequences of alternative lines of policy, and the effectiveness of programs currently in operation. It is the function of the Bureau of Agricultural Economics to obtain for the Departmental administrators in a systematic and objective way, the facts needed on the reactions and attitudes of the people who are affected by the programs they are conducting. By carefully planned surveys, much of the guess work of administration is being eliminated.

Statement of Overtime Costs

	1943	Est. 1944	Est. 1945
Direct Appropriation:			
Amount absorbed	*\$3,002:	- -:	- -
Additional funds for overtime (appropriated, 1943, estimated supplemental, 1944; and included in budget estimate, 1945)	: 158,500:	\$348,000:	\$348,000
Total cost (direct appropriation)	: 161,502:	348,000:	348,000
Transfers from other appropriations:			
Amount absorbed	2,242:	- -:	- -
Additional funds for overtime (transferred, 1943; to be transferred, 1944 and 1945)	: - -:	14,250:	17,150
Total cost (transferred funds)	: 2,242:	14,250:	17,150
Total cost of overtime as shown in budget schedules (7 months in 1943)	: 163,744:	362,250:	365,150

* Difference between overtime cost and supplemental appropriation.

(b) Crop and Livestock Estimates

Appropriation Act, 1944	\$1,354,266
Transfer from "Salaries and expenses, War Food Administration"	+175,600
Anticipated deficiency for overtime pay required by the War Overtime Pay Act of 1943	+217,454
Total anticipated available, 1944	<u>1,747,320</u>
Budget estimate, 1945:	
Direct appropriation	1,500,000
Transfer from "Salaries and expenses, War Food Administration"	<u>175,000</u>
Total available, Budget estimate, 1945	<u>1,675,000</u>
Net decrease in total available funds:	
Direct appropriation	71,720
Transfer	<u>600</u>
	<u>-72,320</u>

PROJECT STATEMENT

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
1. Crop and livestock estimates	\$1,192,987	\$1,747,320	\$1,675,000	-\$72,320 (1)
Covered into Treasury in accordance with Public Law 674	4,030	- -	- -	- -
Unobligated balance	23,609	- -	- -	- -
Total available	<u>1,220,626</u>	<u>1,747,320</u>	<u>1,675,000</u>	<u>-72,320</u>
Received by transfer from:				
"Salaries and expenses, War Food Administration":	- -	-175,600	-175,000	
Transfers from other appropriations (as shown in Budget schedules):	-416,691	- -	- -	
Anticipated deficiency for overtime pay	- -	-217,454	- -	
Total estimate or appropriation	<u>803,935</u>	<u>1,354,266</u>	<u>1,500,000</u>	

INCREASES OR DECREASES

(1) The decrease of \$72,320 (including a decrease of \$9,424 relating to overtime pay) in funds available consists of a reduction of \$71,720 in the direct appropriation and a decrease of \$600 in funds available by transfer, from the War Food Administration, which will necessitate the elimination of a part of the work which has been inaugurated during the current year under the increase granted in the 1944 appropriation.

Chief among the reductions will be the discontinuance of county estimates on soybeans and a reduction in the number of reports on soybean stocks to a semi-annual basis.

Quarterly reports of stocks in interior mills, elevators and warehouses have been inaugurated during the current year on corn, oats, barley and rye. It probably will be necessary to limit the reports on stocks of these four commodities in positions off the farm to an annual basis. Stocks reports on wheat now, and have for a number of years, covered stocks in all positions. The quarterly wheat reports will be continued.

The reports on stocks of rice, dry beans and peas will be on an annual basis instead of the three reports a year at present on rice and quarterly reports on dry beans and peas.

Statement of Overtime Costs

	: 1943	: Est. 1944	: Est. 1945
Direct appropriation:	:	:	:
Amount absorbed	: *\$52,080:	- -:	- -
Additional funds for overtime (appropri-	:	:	:
ated, 1943, estimated supplemental,	:	:	:
1944; and included in Budget estimate,	:	:	:
1945)	: 46,500:	\$217,454:	\$208,030
Total cost (direct appropriation) ...	: 98,580:	217,454:	208,030
Transfers from other appropriations:	:	:	:
Amount absorbed	: - -:	- -:	- -
Additional funds for overtime (transferred;	:	:	:
1943; to be transferred, 1944 and 1945) :	- -:	25,600:	25,600
Total cost (transferred funds)	: - -:	25,600:	25,600
Total cost of overtime as shown in	:	:	:
Budget schedules (7 months in 1943)	: 98,580:	243,054:	233,630

* Difference between overtime cost and supplemental appropriation.

WORK UNDER THIS APPROPRIATION

Objective: The objective of this work is to furnish comprehensive and reliable basic data, covering all aspects of national agricultural production. In the main, the data are gathered from primary sources and the official estimates and reports encompass a wide range of subjects, including present and prospective production of all the principal crops and classes of livestock, livestock products, stocks of farm products on farms and in various off-the-farm positions, utilization of farm products, prices received by farmers, prices paid by farmers, farm employment and wages, and related information.

The Problem and its Significance: This Bureau is the chief fact-finding branch of the Department for basic information on the current status of agricultural operations and output. Under the law it is the governmental source for all primary estimates on current and prospective volume of and changes in production and supplies of American agricultural products. Its regular reports include national and State estimates on acreage of important crops, yields, production, stocks, utilization, sales, local market prices, and values. Similarly, extensive data are prepared and issued on livestock and dairy and poultry products.

The Bureau is furnishing the action agencies with more detailed facts, including greater segregation of the estimates for areas smaller than a State. New information on minor crops is being gathered because of the important place many of these have assumed in the war economy.

Among the major fields for which basic estimates and data are most urgently needed are in connection with administrative analyses and farm organization activities under the programs for determining maximum needs of foods and staples and increasing the production of essential war crops; determining requirements and priorities on machinery, equipment, supplies, etc., required to maintain essential agricultural production and the most effective allocation of the materials apportioned to agriculture; providing for the transportation and storage of grain crops and the handling of expanded marketings of other farm commodities; appraisal and loan operations; and control of farm and food product prices.

Plan of Work: The Bureau maintains a Nation-wide statistical service, largely in cooperation with State agencies, for gathering basic data relating to agriculture. This work is conducted through 41 branch offices, and with the assistance of more than 300,000 farmer reporters, as well as very large lists of local merchants, mills, elevators, ginners, dairy manufacturers and others who furnish regular reports to the Bureau on prices, stocks, quantities of commodities processed, and other data. The Crop Reporting Board and assisting staff are made up of highly trained statisticians who employ the most modern methods known to statistical science in preparing the many regular and special reports which cover all of the important farm crops and livestock and dairy products.

In addition to maintaining its basic groundwork of gathering and publishing data for commodities on a National and State basis, the Bureau prepares special compilations and analyses to meet the immediate needs in carrying out Department programs and for use of other agencies of the government.

Progress and Major New Developments:

Cotton and cottonseed: The established reports on estimated acreage, yield and production have been supplemented during the 1943 crop season with forecasts of cotton production by staple length groups, undertaken first during the 1942 season for use in a study by the Department and War Food Administration of the supply and requirements of different lengths of cotton fibers. The Bureau has continued to furnish an extensive volume of county estimates of acreage, yields and production to assist in the Department's production goals and other cotton programs. Data have also been supplied to assist in determinations of fertilizer allocations to be made for cotton and other crops. More complete and dependable information has been secured in recent seasons on the extent of boll weevil infestation.

Grain, hay and forage crops: To aid the Department in facilitating the orderly movement of grain under disturbed transportation conditions and to provide adequate storage for grain crops, this Bureau at the request of the other governmental agencies concerned, again undertook a special program of mid-month estimates to supplement the regular monthly reports, and estimates of production and farm stocks by crop reporting districts during the critical period of storage and transportation for the 1943 crops. The mid-month estimates were made for selected important States in the production of certain grain crops, namely: winter wheat, spring wheat, oats, barley, rye, flaxseed, and soybeans. The reports of production and farm stocks by crop reporting districts were issued for the same States and crops for both the first-of-the-month and the mid-month reports. Such reports were issued for 19 States including estimates of production for 7 crops and farm stocks for 3 crops during the months of the growing season from May through October.

A tight situation with respect to grain storage capacity was anticipated in the early months of 1943 by reason of the large quantities of grain held under Government loans in various storage positions, intensified by unusually large production in 1942 and plans for heavy production of grains in 1943 to meet greatly expanded needs. Demands arising from this situation for unusually detailed information on storage capacity and stocks of grains were met by a Nation-wide survey of storage capacity and stocks of grains in all positions culminating in a report on grain storage capacity and stocks on April 1, 1943. The foundations for such a report had been laid by complete enumerations of capacity and stocks on two previous dates, March 1, 1941 and February 16, 1942.

Quarterly reports of stocks of wheat in interior mills, elevators and warehouses were expanded to include regularly 4 additional grains, corn, oats, barley and rye.

The importance of dry beans and dry peas as critical food crops has steadily produced new demands for additional statistical information on these crops. As a result, in addition to the more detailed reports of the past two years, on production by kinds of beans, the work was

expanded to include estimates of acreage and production in new areas into which the acreage had been extended to meet wartime demands. Reports have also been made on both farm and commercial stocks, in total and by kinds. This information was needed in setting up prospective requirements and allocations for military, naval, lend-lease, rehabilitation and domestic civilian use in the prosecution of the war.

Intensified interest in soybeans as a critical vegetable oil crop has required establishment of an adequate program of soybean reports which has required further refinement as new, important situations developed. The program now includes quarterly stocks of soybeans on farms and in interior mills, elevators and warehouses, county estimates of acreage and production in the principal soybean States, and earlier season forecasts of production of beans, beginning now in July instead of several months later in the season.

To meet the shift in emphasis to pre-season and growing season considerations of planted acreages of crops, which has accompanied wartime food production plans and programs, a series of planted acreage estimates is now regularly prepared to accompany the currently issued estimates of harvested crop acreages. The acreage estimates are established on the basis of complete acreage utilization including, in addition to the regularly estimated utilization for grain production, the acreages diverted to other uses and those abandoned.

Seeds: The availability of adequate supplies of various kinds of grass, clover, vegetable and other seed crops has been a matter of primary concern to the Department from the beginning of the European War. This has occasioned need for extensive and special information on the hundreds of kinds and varieties of seed which have required official attention, often with respect to isolated sources of specific kinds or varieties. The seed statisticians are repeatedly called upon to furnish detailed data on specialized supply problems.

The Bureau, having anticipated the need for larger supplies of seeds of various kinds, has expanded its reports insofar as possible to make available the more detailed information needed on production and supplies. This information has been of great value to the War Food Administration in its seed production programs, in setting seed production goals, and in encouraging seedsmen to maintain foundation stock and to anticipate needs for specific kinds of seeds. Extensive aid has also been given to the Combined Food Board Seed Committee in making recommendations regarding imports and exports of seeds.

The Bureau's data on supplies of field and vegetable seeds, together with less complete estimates of requirements, were the principal basis for determining which kinds and varieties of seeds could be exported without undue risk of impeding the war effort. It may be pointed out that no important seed shortages developed in this country as a direct result of our willingness to share supplies with our allies through the Lend-Lease program.

In connection with Victory Garden plans for about one-third increase in the number of gardens in the United States in 1943, the Bureau's special detailed surveys of seed production were depended upon for initial assurance that the supply of vegetable seeds would be sufficient to meet this large increase in demand. Many other leads and recommendations develop from the seed estimates work, as in the case of the freezing of available stocks of Bermuda and Carpet grass seed, two grasses found to be the best for flying fields, drill grounds, and cantonment areas in the South.

Fruits, vegetables and special crops: Much additional information has been assembled on the fruits and vegetable crops for use in preparing production goals and price support programs. Long-range forecasts of probable production have been made for the purpose of guiding various war agencies in making allocations and obtaining in advance of the production season necessary facilities, such as containers, machinery, etc. More than 150 requests from governmental and other agencies for the preparation of special statistical information have been complied with during the past year. Examples of such requests were the preparation and publication of monthly prices on each of 19 vegetable crops, and the special survey of rotenone supplies in hands of commercial vegetable processors and the seasonal requirements of this insecticide for processing vegetables. The importance of vegetables in the national diet and the growing concern in maintaining adequate sources of supply of the kinds most needed, have called for the continuing development of additions or modifications in the current reports. A major development in this connection has been the new seasonal grouping of producing areas of about 25 commercially grown truck crops.

Detailed information was called for on many minor crops which have taken on new importance in the war program. Forecasts of sweetpotato production, for the first time, were issued to show how the production in each State was distributed among the various crop-reporting districts of the State. Information has been expanded on peanuts as this crop, along with soybeans, has become an increasingly significant source of oil. Peanut milling statistics have afforded a reliable check on production and serve the governmental agencies as a basis for making allotments. Improvements in the estimates and reports were required to keep pace with the drastic changes taking place in acreages, especially difficult of measurement when it is considered that the acreage utilization is influenced by yields, ratio of prices of hogs to peanuts, and other economic considerations.

Livestock estimates: Continuous and widespread public interest in the meat situation, as a result of price control and rationing regulations, has resulted in an unusually large demand for figures on livestock numbers, livestock production, probable marketings and slaughter and other items, not only from the officials and agencies normally concerned with livestock and meat problems but also from persons and agencies not ordinarily interested.

Many of the meat supply problems involve considerations of slaughter capacity and whether available capacity is sufficient to handle the expected peak load of marketings. To meet the need for information, the Bureau made a special survey of the hog slaughter capacity of the packing industry, and a number of subsequent analyses. Because of the unusual seasonal distribution of marketings in 1942-43 slaughter at no time reached the indicated capacity, but it is not unlikely that in 1943-44 there may be weeks when capacity will be inadequate.

Dairy products: The detailed data on manufactured dairy products, regularly assembled by the Bureau, in cooperation with State agencies, have been used extensively to prepare special information needed by the war agencies. However, early in the year it was found that the reports currently made available were not adequate to meet all the needs of these war agencies such as Office of Price Administration, Food Distribution Administration, and the Reconstruction Finance Corporation, in carrying out required programs. Cooperative arrangements, therefore, were entered into with the foregoing three agencies under which this Bureau was designated as the operating unit to collect and supply all of the statistical information needed for the special programs of these other agencies with respect to the dairy industry. The new data have been very helpful in determining production capacities of dairy manufacturing plants and in working out dairy production goals and State quotas. Attention has also been directed to the preparation of monthly estimates of milk production, in important States, to aid in the establishing and attaining milk production goals and in related activities.

Poultry statistics: A new program has been set up in several States for getting monthly data on commercial broiler production and marketings. To gauge the changing feed situation with which the poultry industry is now faced, a special feed survey is being made to determine the kinds and amounts of feed being fed to poultry on farms, throughout the United States. From these data, will be prepared estimates of the feed requirements of poultry, by States, and these data will be used by the War Food Administration in the determination of future plans with respect to poultry and egg production.

A complete survey of the hatchery industry is under way and will be completed by June 1944. Arrangements have been made to decentralize the monthly hatchery report so that all current data will be collected, tabulated and summarized in State Statisticians' offices beginning in January 1944. A special survey to determine the source and breed of baby chicks raised by farmers in 1943 is now under way, the results to be used by WFA in considering any steps necessary to assure adequate baby chick supplies. The reports on liquid and dried egg production were considerably expanded to aid in the administration of the Food Distribution Administration program. Data on canned and eviscerated poultry has been collated during the last three months in 1943 and monthly reports will be released in the near future showing the quantities of poultry canned and eviscerated each month. These data were collected at the request of the WFA.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS 1/

Item	Estimated		
	Obligations:	Obligations:	Obligations:
	1943	1944	1945
Cooperation with the American Republics (Transfer from the Department of State): For intern training of agricultural economists from other American countries 2/	-	\$38,561	\$19,280
Special Research Fund (Department of Agriculture): For special researches on economic factors affecting the farm industry.....	\$70,159	66,726	49,626
Working Funds (Bureau of Agricultural Economics):			
(Advance from Office of Inter-American Affairs):			
- Employment of trainees from South and Central American countries for training in economic research	59,800	-	-
(Advances from Interior Department):			
Research on the character, scope and organization of the Central Valley Project of the Bureau of Reclamation.....	27,097	44,903	-
Farm management and market outlet studies on Yuma Mesa			
Predevelopment program of Bureau of Reclamation.....	2,567	1,433	-
Total, Interior Department.....	29,664	46,336	-
(Advances from Office of Price Administration):			
Survey of consumers' attitudes toward various aspects of the rationing programs.....	2,998	-	-
Study of various aspects of fuel oil rationing.....	24,506	-	-
Statistics of costs and prices of mixed feed ingredients...	8,605	-	-
Collecting and analyzing statistics on dairy products:	4,261	27,000	-
Total, Office of Price Administration.....	40,370	27,000	-

Item	Obligations: 1943	Estimated Obligations: 1944	Estimated Obligations: 1945
(Advances from Office of War Information):			
National and local surveys on various aspects of the War program.....	214,627	-	-
Reports and special surveys covering the progress of the war program.....	8,515	-	-
Total, Office of War Information	223,142	-	-
(Advances from Treasury Department):			
Surveys of spending and savings of families in connection with war bond sales.....	19,942	-	-
Study of effectiveness of pay-roll deduction plan of selling war bonds and various factors affecting sale of war bonds.....	29,741	-	-
Research concerning effectiveness of April War Loan Drive	16,756	-	-
Study of factors affecting sale of war bonds, records of savings of certain economic groups and related information.....	-	14,377	-
Study of methods to be used in carrying out Third War Loan drive.....	-	31,528	-
Total, Treasury Department.....	66,439	45,905	-
(Advance from War Department):			
Preparation of approach aeronautical charts.....	6,225	-	-
Total, Working Funds.....	425,640	119,241	-
Total, obligations under supplemental funds.....	495,799	224,528	69,446

- 1/ Exclusive of Lend-Lease funds which are not included in the regular Budget.
- 2/ Budget schedule for this item appears in the Department of State section of the Budget, page 625.

PASSENGER-CARRYING VEHICLES

It is anticipated that the Bureau will need to replace three of its cars in 1945. These cars will have an average mileage of more than 40,000 each and all have been used three years or more. The number of replacements has been held to a minimum because of the uncertainty of obtaining new cars.

The use of passenger-carrying cars in the field is necessary to the conduct of farm management and land use research especially in connection with the war production programs, and in the gathering of data for crop and livestock estimates.

If it should prove to be impossible to obtain new cars in 1945, the funds estimated for purchase will be needed for the maintenance and repair of the old cars and to provide other means of transportation.

OFFICE OF FOREIGN AGRICULTURAL RELATIONS

(a) Salaries and Expenses

Appropriation Act, 1944	\$420,670
Anticipated deficiency for overtime pay required by the War Overtime Pay Act of 1943	+60,835
Total anticipated available, 1944	<u>481,505</u>
Budget estimate, 1945	<u>481,505</u>

PROJECT STATEMENT

Project	1943	1944 :(estimated):	1945 :(estimated):	Increase or decrease
1. Foreign agricultural relations	\$305,553:	\$481,505:	\$481,505:	- -
Covered into Treasury in accordance with Public Law 674	1,125:	- -:	- -:	- -
Unobligated balance	37,517:	- -:	- -:	- -
Total available	<u>344,195:</u>	<u>481,505:</u>	<u>481,505:</u>	- -
Transfer in estimates to "Salaries and expenses, library"	+2,000:	- -:	- -:	- -
Anticipated deficiency for overtime pay	- -:	-60,835:	- -:	
Total estimate or appropriation	<u>346,195:</u>	<u>420,670:</u>	<u>481,505:</u>	

Statement of Overtime Costs

	1943	Est. 1944	Est. 1945
Overtime absorbed		\$1,533:	\$2,482
Additional funds for overtime (appropriated, 1943, estimated supplemental, 1944; and included in budget estimate, 1945)	22,040:	60,835:	60,835
Total cost of overtime (7 months in 1943) ...	<u>22,040:</u>	<u>62,368:</u>	<u>63,317</u>

** Actual appropriation was \$22,400.

WORK UNDER THIS APPROPRIATION

Objective: To collect and analyze information on all phases of foreign agriculture; also to supply data on Axis-occupied, as well as Allied countries, to determine vulnerability of enemy countries from the standpoint of food, as well as to determine agricultural and food materials and requirements of countries to be liberated. This is designed to be of maximum service to the Department, as well as other agencies, such as the Army, Navy, Department of State, Foreign Economic Administration, and the Combined Food Board.

The Problem and its Significance: To keep abreast of the world agricultural situation, particularly during the war period, as it relates to meeting United Nations' food requirements. There simply is not enough

food to satisfy all of the needs of the United Nations, either during the war or in the immediate post-war relief period. This means that the Office must be familiar with the world situation with respect to such commodities as beef, dairy products, poultry products, fertilizers, numerous oil and oil-bearing materials, vitamins, and a long list of tropical products on which the Office did not attempt to keep currently posted prior to the war. It has also meant that the Office has had to become familiar with agricultural conditions in parts of the world with which previously it was little concerned such as Africa, the Middle East, and tropical Latin America.

Plan of Work: The work of the Office is conducted primarily through two major branches, one on a commodity and the other on a regional basis:

(1) The International Commodities Branch is comprised of international commodity specialists, most of whom have had a large amount of first-hand experience in the foreign field. Each is charged with keeping fully informed in respect to the foreign situation affecting the particular commodities under his jurisdiction, including the supplying of the most authentic information possible regarding the production of a particular commodity in all parts of the world outside of the United States. These are often estimates but are generally accepted by U. S. Government agencies as the best available appraisal of foreign supply conditions. The commodity specialists in this Branch serve as chairmen or secretaries of the international commodity committees established by the Combined Food Board. The eight commodity divisions are: Vegetable Fibers, Tropical Products and Tobacco, Agricultural Machinery, Fruits and Vegetables, Fertilizer, Livestock Products, Sugar and Seeds, and Vegetable Oils and Cereals.

(2) The Regional Investigations Branch is concerned with the agricultural resources, production prospects and requirements of particular countries and regions. The work of the Branch is divided into three major geographic divisions--Africa, the Western Hemisphere, and the Far East. The personnel of the Branch is engaged in developing information on the agricultural resources of foreign countries; also, they have been preparing agricultural handbooks for the Military Government authorities and are assisting Army officials in working out the agricultural programs to be undertaken by the Military Government authorities in reoccupied areas. These country specialists also represent the Department of Agriculture on the country subcommittees of the Interdepartmental Trade Agreements Committee.

Examples of Current Activities:

International Commodities Investigations: In wartime, the chief problem is getting the greatest possible production of the essential food stuffs and agricultural raw materials out of that part of the World accessible to the United Nations and of distributing those supplies which are short of potential needs in the best interests of the war effort. Most of the basic information on world supplies and requirements of specific commodities is provided by eight commodity divisions of this Branch.

This information has, for example, been made available to: (a) The Department's Committee on Foreign Purchase and Importation under the chairmanship of a member of the Commodity Credit Corporation where it is used as a basis for deciding on the commodities that should be obtained for import to supplement the food supplies available in the

United States; (b) the Armed Forces and the Office of Foreign Relief and Rehabilitation Operations for the purpose of programming their activities relative to the provision of food for the relief of liberated areas; (c) the Office of Lend-Lease Administration for use in checking the requisitions for Lend-Lease aid against estimates of need and the possibilities of supply from sources outside of the United States; (d) the War Food Administration for consideration in connection with the various aspects of the War Food Program in the United States; (e) the Combined Food Board, which, together with information supplied by other United Nations, forms the basis for its recommendations as to the international distribution of commodities in short supply.

During the past year, this Branch has completed estimates of world supplies of practically all of the important foods and agricultural raw materials which are of definite interest to the United Nations.

Regional Investigations: The work under this project during the year has been based on the collection and analysis of data and adaptation to the wartime needs--chiefly those of the Armed Forces, the Office of Foreign Relief and Rehabilitation Operations, the Combined Food Board, the Office of Economic Warfare, the Office of Strategic Services, the Office of Lend-Lease Administration, and food allocations and procurement authorities of the War Food Administration.

Specific accomplishments include:

(1) Handbooks have been prepared for the Military Government authorities of both the Army and the Navy on agriculture and food resources in Axis and Axis-occupied countries. These handbooks are used by the Armed Forces and the areas of operation and in training for military government. A number of these have been completed and others are in preparation.

(2) Estimates of food supplies and relief needs in European countries have been made in connection with the work of the Military Government, the Office of Foreign Relief and Rehabilitation Operations, Office of Economic Warfare, and Office of Lend-Lease Administration. This material is developed by specialists having wide acquaintance with the agricultural data and resources of these countries and first-hand knowledge of them, and includes data on agriculture and food supply, effects of occupation on food resources, and relief and rehabilitation needs of various countries. Thus the Armed Forces and the war agencies are furnished a balanced interpretation of available data and first-hand experience to facilitate their operations.

(3) Agricultural leadership was provided for the Middle East Supply Center and the North African Economic Board. This service was supplied in the first instance by investigation on the ground by specialists. Recommendations were made as to suitable programs for increasing the food supply in those areas, for the local population, the United Nations Armed Forces, and relief for reoccupied areas. Work is going forward on the basis of these recommendations.

(4) Advisory assistance, data and other documentation were supplied for the United Nations Conference on Food and Agriculture, and contributions have been made to the development of plans for the permanent organization to carry out the objectives of that Conference.

(5) A method of measuring statistically the changes in food production in foreign countries since before the war has been developed. This has been completed for several surplus-producing countries and the continent of Europe and is going forward in other areas.

(6) Studies of basic trends in foreign agricultural production and trade in relation to competition with and demand for American farm products after the war have been started. Part of this involves preparation of material on the agriculture of various countries as public information in the form of published reports, as distinct from the confidential information furnished to the military and war agencies.

(7) Analysis of economic and geographic data and preparation of maps in cooperation with the geographer of the Department of State and with the War Department map service has formed an important part of the work of the Office. These data and maps are of strategic importance in the formulation of the Administration's foreign policy.

Coordination and Administration: Coordination of the Department's activities in the foreign field does not lend itself to the reporting of specific progress, but is a continuous task involving the maintenance of working relations with the various agencies of the Department and with the State Department and other Government agencies which have an interest in foreign developments. This type of work has materially increased during the past year because of the growing responsibilities of the Department in the foreign field.

Latin-American Cooperation: In the field of Latin-American cooperation the Office has a dual function:

(1) To direct and coordinate the Latin-American activities of the Department. This includes the program of the Bureau of Plant Industry, Soils, and Agricultural Engineering for developing sources of natural rubber in the tropical areas of Latin America and a program of in-service training of students from the other American Republics which, during the past year, provided for 72 students to receive training in four different bureaus of the Department.

(2) To operate a development program in Latin America with funds allotted by the Department of State (see table of supplemental funds, infra). This program is designed to develop the production of complementary products in the other American Republics through the establishment of cooperative agricultural research and extension centers. Agreements have already been signed with Peru, Nicaragua, El Salvador, Ecuador and Bolivia for the establishment and operation of such stations, and the Office carries on active collaboration with existing agricultural institutions in Cuba and Brazil.

A total of 29 United States scientists and technicians are already actively engaged in investigational, extension and production work at the stations indicated above. Major attention is being given to the problems involved in producing or expanding the production of Cinchona (a source of quinine), other drug plants, insecticides such as pyrethrum and rotenone, tropical fibers, cacao, and other tropical products needed by the United States. The first plantings of Cinchona seedlings by any United States Government agency were the 140,000 seedlings planted under the program of this Office principally in Ecuador and Peru. About 900,000 Derris (insecticide) cuttings also have been planted and technical assistance has been given to Lonchocarpus (insecticide) growers in the Amazon area of Peru.

Periodic and Special Data: The various regular publications of the Office were continued during the year, but some of them were published on a smaller scale in accordance with regulations of the Office of War Information. "Foreign Crops and Markets" continued to be circulated on a weekly basis but only to a reduced number of Government officials and workers; the monthly summary of "Foreign Crops and Markets" was also continued, but its circulation likewise was further curtailed. "Foreign Agriculture" was continued on a monthly basis, though at a reduced size, and its free circulation was cut approximately 10 percent. "Agriculture in the Americas" was continued in its previous year's size but its free circulation was reduced by approximately one-fourth. The "Latin American News Digest," a two-page, mimeographed weekly which attempts to summarize news bearing specifically on the relations between the American Republics and intended for administrative use only, had its circulation cut about one-third. In addition to the above, non-periodical reports issued during the year included "The Agricultural Resources of Madagascar" and "Plants for Insecticides and Rodenticides"; two special reports entitled "The International Wheat Agreement" and "The Second Inter-American Conference of Agriculture"; and two numbers of a new series of printed bulletins, "The Agriculture of Cuba" and "The Agriculture of Colombia."

(b) Exportation and Domestic Consumption of Agricultural Commodities
(Allotment to Office of Foreign Agricultural Relations)

This schedule covers obligations under an allotment from funds appropriated under Section 32 of the Act of August 24, 1935, to obtain information on foreign market developments and other data related to the international aspects of the work under Section 32. Even though there is a current lack of export programs, the work of assembling foreign information that will eventually be needed in the consideration of future programs is a continuing task.

(c) Rubber Investigations, Bureau of Plant Industry, Soils, and
Agricultural Engineering
(Allotment to Office of Foreign Agricultural Relations)

This budget schedule covers obligations under an allotment for coordination, as well as advisory and informational services in connection with the development of rubber production in the Western Hemisphere.

(d) Emergency Fund for the President, National Defense
(Transfer to Office of Foreign Agricultural Relations)

This budget schedule covers obligations under a transfer for expenses of technical experts to assist in problems pertaining to livestock and other food production in the British Isles.

(e) Working Funds (Office of Foreign Agricultural Relations)

This budget schedule covers obligations under advances to the Office of Foreign Agricultural Relations pursuant to Section 601 of the Economy Act of June 30, 1932, for services performed for various agencies. See following statement of supplemental funds, including working fund advances from other agencies.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS 1/

Item	Obligations, 1943	Estimated obligations, 1944	Estimated obligations, 1945
<u>Cooperation with the American Re-</u>			
<u>publics (Transfer from the De-</u>			
<u>partment of State): For promoting</u>			
<u>in Latin America the production</u>			
<u>of complementary or non-competi-</u>			
<u>tive agricultural products 2/</u>	\$176,733:	\$428,000:	\$496,000
<u>Exportation and Domestic Consump-</u>			
<u>tion of Agricultural Commodities:</u>			
<u>For services required in the ad-</u>			
<u>ministration of Section 32 of the</u>			
<u>Act of August 24, 1935</u>	62,388:	36,874:	40,000
<u>Rubber Investigations, Bureau of</u>			
<u>Plant Industry, Soils, and Agri-</u>			
<u>cultural Engineering: For coor-</u>			
<u>dinative, advisory and informa-</u>			
<u>tional services in connection</u>			
<u>with development of rubber pro-</u>			
<u>duction in the Western Hemisphere:</u>	16,104:	19,384:	- -

Item	Obligations, 1943	Estimated : obligations, 1944	Estimated obligations, 1945
Emergency Fund for the President,			
National Defense: For expenses			
of technical experts to assist			
in problems pertaining to live-			
stock and other food production			
in British Isles	10,708:	33,226:	- -
Working Fund Advances (From Office			
of Coordinator of Inter-American			
Affairs):			
For expenses of traveling ex-			
hibits of Latin American			
products in the United States:	3,668:	- -:	- -
To provide funds to cover nes-			
sary expenses in sending del-			
egates to the Second Inter-			
American Conference of Agri-			
culture at Mexico City	8,986:	- -:	- -
For expenses in connection			
with the establishment of			
agricultural experiment			
station at Tingo Maria, Peru :	46,627:	- -:	- -
Total, Working Funds	59,281:	- -:	- -
Total, Obligations under			
Supplemental Funds	325,214:	517,484:	536,000

1/ Exclusive of Lend-Lease funds which are not included in the regular Budget.

2/ Budget schedule for this item appears in the Department of State section of the Budget, page 625.

(f) International Production Control Committees

PROJECT STATEMENT

Project	1943	1944 (estimated)	1945 (estimated)	+Increase or decrease
1. U. S. Share of direct con- tributions for expenses of the International Production Control Committees	\$4,646:	\$5,500:	\$5,500:	- -
2. Professional and clerical services	2,079:	2,508:	2,555:	+\$47
3. Other expenses incident to formulation and operation of new international com- modity agreements	- -:	4,492:	4,445:	-47
Unobligated balance	10,775:	- -:	- -:	- -
Total estimate 1945 and 1944 and comparable amount 1943	17,500:	12,500:	12,500:	- -
Allotted from:				
"Salaries and expenses, Agricultural Adjustment Administration"	-13,500:	-8,500:	-8,500:	- -
"Sugar Act"	-4,000:	-4,000:	-4,000:	- -
Total estimate or appropriation	- -:	- -:	- -:	- -

This item will continue during the fiscal year 1945 the authority contained in the 1944 Agricultural Appropriation Act enabling the Secretary of Agriculture to utilize funds available for agricultural adjustment to cover the cost of United States membership in the International Wheat Advisory Committee or like events or bodies concerned with the management of agricultural surpluses, etc., and to provide for travel and incidental expenses in connection with such participation. The amount authorized for this purpose in 1944 (\$12,500) remains unchanged in the 1945 estimates.

Funds appropriated for effectuating the aims of crop-control programs, conservation programs, and encouragement of exports have been made available, since the fiscal year 1935, for the payment of expenses of "International Production Control Committees" through a limitation heading bearing that title which has been contained in the Department of Agriculture appropriation bill.

Since that time, expenses of representatives of the United States Department of Agriculture attending sessions of the International Wheat Advisory Committee have been paid under the authority contained in this limitation. Since the fiscal year 1938, expenses have also been paid on account of the International Sugar Council. In addition, this limitation has covered the reimbursement of the State Department for its payment of the United States' share of the costs of both the Committee and the Council. Expenses incurred by the Department in connection with the International Cotton Committee and the statistical work of the Secretariat are also paid from this fund.

International Wheat Council: Under the provisions of the Memorandum of Agreement an International Wheat Council was formally organized and held its first meeting August 3-5, 1942. Delegates from the 5 participating countries, Argentina, Australia, Canada, the United Kingdom, and the United States, were officially appointed by their respective Governments.

The Council held additional meetings on January 28-29, August 26-28 and November 5, 1943. Activities of the Council have so far been largely concerned with the wheat supply and production programs in the member countries, the consideration of plans and procedures with respect to the operation of the pool of relief wheat or flour when it may be called for in war-stricken and other necessitous areas, and to organizational matters and contact with other appropriate agencies dealing with international activities and post-war problems.

Funds to cover the United States' share of the Wheat Council, have, since 1935, been made available from the appropriation made under Section 12(a) of the Agricultural Adjustment Act of 1933.

International Sugar Council: The International Sugar Council, established under the International Sugar Agreement, signed in London on May 6, 1937, and ratified by the U.S. Senate on December 20, 1937, is being continued on a skeletal basis. The agreement itself provides generally for the regulation of production and marketing on an international basis. The Council is active during the war period in granting permission to signatory countries to modify production and marketing of sugar because of exigencies occurring under the war situation.

In 1943 the Council undertook a study of the sugar-supply situation in Axis and Axis-occupied countries in order to determine the probable import requirements of these areas during the immediate postwar period. The Council also has initiated an exploratory study of the agreement as it now stands with the objective of revising certain portions as soon as the war is terminated. Study also is being made of the desirability of continuing present arrangements for another one or two-year period after the expiration of the current two-year extension which ends August 31, 1944.

It is expected that this Council will be highly significant in post-war adjustments in the international marketing of sugar.

Funds to cover the United States' share of the Sugar Council expenses have been made available from the appropriation made under Section 12(a) of the Agricultural Adjustment Act of 1933, and for carrying into effect the Sugar Act of 1937.

International Cotton Advisory Committee: The Committee is composed of representatives of the following member governments: United States, Union of Soviet Socialist Republics, Brazil, Egypt, India, Mexico, and Peru. The secretariat for the Committee was established at the first meeting on September 5, 1939, under the general direction of the Office of Foreign Agricultural Relations and is charged with observing and collecting data on the world cotton situation and advising the member Governments when world conditions seem favorable for further international cooperation. The Committee members exchange views between the interested Governments in respect to the form and the time for international collaboration designed to adjust world cotton supply to the demand.

Funds to cover the United States' share of the Cotton Advisory Committee are made available from the appropriation made under Section 12(a) of the Agricultural Adjustment Act of 1933.

EXTENSION SERVICE

The estimates for the Extension Service are divided into two parts:

- (a) "Payments to States and Territories" for cooperative agricultural extension work in the 48 States, Hawaii, Alaska, and Puerto Rico, and
- (b) "Salaries and Expenses" to be expended mainly in Washington for the maintenance of a supervisory and clerical staff for the general administration and coordination of extension work.

(1) PAYMENTS TO STATES AND TERRITORIES

The entire amount for payments to the States and Territories is paid directly to a designated officer in each State and Territory and the funds are disbursed by them in accordance with budgets and programs of work submitted by the Directors of extension and approved by the Secretary of Agriculture. Some offset by States and Territories is required by law before the funds become available, resulting in extension work being financed about 52 percent from Federal sources and about 48 percent from State and local sources. The funds are used by the States for carrying on State and county extension work with rural people. Paid workers are being assisted by a network of voluntary neighborhood leaders for work of value to the war effort.

Funds available for fiscal year 1944 for direct payments to States, Hawaii, Alaska, and Puerto Rico for cooperative agricultural extension work total \$18,903,660. In addition, there is available \$93,180 from funds allotted from appropriations made directly to the Department of Agriculture, making a grand total of \$18,996,840 available to the States and Territories for the fiscal year 1944. The estimates for the fiscal year 1945 provide for total appropriations of \$18,741,840 for these purposes.

The use of these funds is indicated in greater detail in the following tables. Table 1 is a summary of all the funds available to the States and Territories. Table 2 gives the estimate of direct payments to the States and Territories for 1945 indicating those which require offset by State, county or local funds, those where such offset is not required, and the basis of allotment. Table 3 shows, by States, the allotments available to States and Territories for 1944 and 1945 as contemplated by the Budget estimates. Table 4 shows, by States, Federal funds and funds arising from sources within the respective States for the fiscal year 1944. Table 5 shows the various classes of field agents employed with extension funds.

Table 1--Cooperative Extension Work in Agriculture and Home Economics

Item	Actual 1943	Appropriations, 1944	Budget estimates, 1945	Increase or Decrease
1. Payments to States, Hawaii, Alaska, and Puerto Rico for agricultural extension work:				
Agricultural Appropriation Act:				
(a) Capper-Ketchum Act . . .	\$1,480,000	\$1,480,000	\$1,480,000	--
(b) Additional extension work	555,000	555,000	300,000	-255,000
(c) Bankhead-Jones Act . . .	12,000,000	12,000,000	12,000,000	--
(d) Alaska	23,950	23,950	23,950	--
(e) Puerto Rico	100,000	140,000	140,000	--
Total, Agricultural Appropriation Act . . .	14,158,950	14,198,950	13,943,950	-255,000
Permanent Specific Approp- riation:				
(g) Smith-Lever Act	4,704,710	4,704,710	4,704,710	--
Total payments made directly to States and Territories . . .	18,863,660	18,903,660	18,648,660	-255,000
Amounts allotted to States and Territories, but dis- bursed by Department of Agriculture:				
(k) Farm and other private forestry coopera- tion:				
Morris-Doxey Act . . .	25,052	34,700	34,700	--
Clarke-McNary Act, Section 5	53,182	58,480	58,480	--
Total allotments to States and Territories . . .	78,234	93,180	93,180	--
Total direct pay- ments and Depart- ment allotments to States and Territories . . .	18,941,894	18,996,840	18,741,840	-255,000
2. Salaries and Expenses:				
(f) Administration and co- ordination of extension work . . .	632,563	658,843	748,843	+90,000

a/ Increase of \$90,000 is for overtime as required by War Overtime Pay Act of 1943.

Table 2--Statement of direct payments to States, Hawaii, Alaska, and Puerto Rico, indicating those requiring offset by States and Territories, those not requiring such offset, and basis of distribution, as estimated for 1945.

Item	Total estimate, 1945	Amount to be paid without offset	Amount requiring offset and basis of allotment	Basis of allotment
1 Permanent annual appropriation (Smith-Lever Act)	\$4,704,710	a/ \$500,000	\$4,204,710	Rural population
2 Capper-Ketchum Act	1,480,000	b/ 980,000	500,000	" "
3 Additional extension work	300,000	300,000	---	Determined by Secretary of Agriculture
4 Bankhead-Jones Act	12,000,000	c/ 12,000,000	---	Farm population
5 Alaska	23,950	d/ 20,000	3,950	Rural population
6 Puerto Rico	140,000	140,000	---	Specified by law
Total, direct Federal payments	18,648,660	13,940,000	4,708,660	

a/ \$10,000 to each State, Hawaii, and Puerto Rico,

b/ \$20,000 to each State, and Hawaii.

c/ \$20,000 to each State, Hawaii (balance on farm population basis).

d/ \$10,000 to Alaska (Act of Feb. 23, 1929); \$10,000 to Alaska (Act of June 20, 1936).

Funds from State and other sources

The Federal funds for cooperative agricultural extension work, \$18,996,840 for the fiscal year 1944, are supplemented by funds from within the States estimated at \$17,743,018, thus making available from Federal, State and local sources an approximate total of \$36,739,858 for extension work.

Table 3 shows Federal allotments to States and Territories for fiscal years 1944 and 1945.

Table 4 shows extension funds from all sources by States and Territories for fiscal year 1944.

Table 3--Allotments to States and Territories under Federal funds for cooperative agricultural extension work (including Clarke-McNary and Morris-Doxey extension allotment)

State	Appropriation : 1944	Budget estimate : 1945	Decrease
Alabama	\$698,256.12	\$696,545.02	\$1,711.10
Arizona	117,243.39	117,243.39	-
Arkansas	530,330.30	577,137.44	3,192.86
California	453,531.62	453,531.62	-
Colorado	211,321.59	199,234.32	12,587.27
Connecticut	133,539.95	133,539.95	-
Delaware	76,723.21	76,723.21	-
Florida	229,683.54	229,683.54	-
Georgia	735,633.45	723,493.70	12,144.75
Idaho	156,302.71	154,719.64	1,583.07
Illinois	583,329.13	578,395.96	4,933.17
Indiana	468,615.67	468,615.67	-
Iowa	532,440.72	519,566.33	12,874.34
Kansas	403,995.43	380,917.36	23,078.07
Kentucky	664,989.49	664,989.49	-
Louisiana	469,513.20	469,513.20	-
Maine	157,659.75	156,641.34	1,018.41
Maryland	199,372.21	199,372.21	-
Massachusetts	141,234.87	141,234.87	-
Michigan	510,765.36	510,765.36	-
Minnesota	494,436.21	494,436.21	-
Mississippi	697,944.66	697,944.66	-
Missouri	604,111.45	603,336.35	775.10
Montana	174,670.66	159,367.91	14,802.75
Nebraska	344,778.14	321,905.42	22,872.72
Nevada	74,231.85	68,733.98	5,492.87
New Hampshire	94,807.48	94,236.20	521.28
New Jersey	172,649.37	163,903.12	3,746.25
New Mexico	142,619.52	142,619.52	-
New York	501,467.40	501,467.40	-
North Carolina	356,411.23	356,411.23	-
North Dakota	243,742.50	230,953.93	17,783.62
Ohio	627,023.46	627,023.46	-
Oklahoma	554,221.71	530,630.77	23,590.94
Oregon	137,776.87	137,776.87	-
Pennsylvania	646,045.80	646,045.80	-
Rhode Island	61,034.47	61,034.47	-
South Carolina	500,037.33	493,956.53	1,080.75
South Dakota	260,303.45	233,314.46	27,493.99
Tennessee	661,564.55	661,564.55	-
Texas	1,191,069.93	1,153,284.54	37,785.39
Utah	122,130.24	115,373.13	6,252.06
Vermont	114,300.91	111,795.11	2,505.80
Virginia	546,823.93	546,823.93	-
Washington	237,690.33	237,690.33	-
West Virginia	352,319.29	352,319.29	-
Wisconsin	433,791.86	433,233.65	558.21
Wyoming	109,642.21	100,649.71	8,992.50
Alaska	23,950.00	23,950.00	-
Hawaii	127,331.25	119,703.52	7,622.73
Puerto Rico	244,935.19	244,935.19	-
Reserve	6,975.00	6,975.00	-
Total	13,996,340.06	13,741,340.06	-255,000.00

Table 4--Total allotments to States and Territories from Federal (including U.S.D.A.) and State sources for extension work, fiscal year 1944

State	Total	Total Federal funds	Total within the States
Alabama	\$1,268,256.12:	\$698,256.12:	\$570,000.00
Arizona	199,150.00:	117,243.39:	81,906.61
Arkansas	922,487.30:	580,330.30:	342,157.00
California	1,045,700.00:	453,531.62:	592,168.38
Colorado	428,964.59:	211,821.59:	217,143.00
Connecticut	326,567.95:	133,539.95:	193,028.00
Delaware	94,958.21:	76,723.21:	18,235.00
Florida	518,653.53:	229,683.54:	288,969.99
Georgia	1,187,884.95:	735,638.45:	452,246.50
Idaho	266,322.71:	156,302.71:	110,020.00
Illinois	1,240,904.13:	583,329.13:	657,575.00
Indiana	1,019,565.67:	468,615.67:	550,950.00
Iowa	1,398,773.48:	532,440.72:	866,332.76
Kansas	1,007,907.43:	403,995.43:	603,912.00
Kentucky	1,004,910.49:	664,989.49:	339,921.00
Louisiana	916,054.12:	469,518.20:	446,535.92
Maine	293,885.82:	157,659.75:	136,226.07
Maryland	410,064.67:	199,372.21:	210,692.46
Massachusetts	540,178.96:	141,234.87:	398,944.09
Michigan	968,408.36:	510,765.36:	457,643.00
Minnesota	850,986.99:	494,436.21:	356,550.78
Mississippi	1,103,730.94:	697,944.66:	405,786.28
Missouri	945,747.00:	604,111.45:	341,635.55
Montana	389,991.50:	174,670.66:	215,320.84
Nebraska	641,556.14:	344,778.14:	296,778.00
Nevada	146,930.51:	74,231.85:	72,698.66
New Hampshire	235,974.67:	94,807.48:	141,167.19
New Jersey	497,066.92:	172,649.37:	324,417.55
New Mexico	334,988.64:	142,619.52:	192,369.12
New York	1,931,282.81:	501,467.40:	1,429,815.41
North Carolina	1,516,460.55:	856,411.23:	660,049.32
North Dakota	407,988.60:	248,742.60:	159,246.00
Ohio	1,133,157.46:	627,028.46:	506,129.00
Oklahoma	922,721.71:	554,221.71:	368,500.00
Oregon	658,075.11:	187,776.87:	470,298.24
Pennsylvania	1,096,754.00:	646,045.80:	450,708.20
Rhode Island	84,738.47:	61,034.47:	23,704.00
South Carolina	756,964.93:	500,037.33:	256,927.60
South Dakota	384,134.42:	260,808.45:	123,325.97
Tennessee	1,023,179.73:	661,564.55:	361,615.18
Texas	2,133,242.25:	1,191,069.93:	942,172.32
Utah	237,621.00:	122,130.24:	115,490.76
Vermont	230,217.90:	114,300.91:	115,916.99
Virginia	1,055,977.82:	546,823.93:	509,153.89
Washington	524,400.12:	237,690.33:	286,709.79
West Virginia	6607,476.79:	352,819.29:	254,657.50
Wisconsin	922,341.86:	488,791.86:	433,550.00
Wyoming	216,084.50:	109,642.21:	106,442.29
Alaska	32,950.00:	23,950.00:	9,000.00
Hawaii	208,926.59:	127,331.25:	81,595.34
Puerto Rico	441,615.19:	244,935.19:	196,680.00
Unallotted	6,975.00:	6,975.00:	-
Total	36,739,858.61:	18,996,840.06:	17,743,018.55

As the major purpose of these payments to States is for the employment of extension workers in counties and colleges, the following comparative statement is submitted showing agents employed:

Table 5--Extension field agents employed June 30, 1940, 1941, 1942 and 1943.

	: June 30, : : 1940	: June 30, : : 1941	: June 30, : : 1942	: June 30, : : 1943
State supervisors	635	629	628	653
Subject-matter specialists:				
Full-time specialists ..	1,269	1,318	1,340	1,285
Part-time specialists ..	368	346	346	390
Total specialists	1,637	1,664	1,686	1,675
Total with headquarters at colleges	2,272	2,293	2,314	2,328
County workers:				
Agricultural agents	3,929	3,901	3,844	3,730
Home demonstration agents:	2,035	2,093	2,183	2,317
Boys' and girls' club agents	342	357	336	337
Negro extension agents ..	490	502	521	538
Total county workers	6,796	6,853	6,884	6,922
TOTAL	9,068	9,146	9,198	9,250

Number of counties in the States, Hawaii
and Puerto Rico 3,152
Number of counties now having one or
more agents 2,941

A general statement and an individual explanation of each of the various appropriation items follow:

Objective of Cooperative Extension work: To aid rural people to make their greatest possible contribution to the war effort through (a) developing an accurate understanding of the various specific wartime programs affecting agriculture and ways in which individual rural families may cooperate; (b) encouraging rural people to utilize fully all available resources in solving current farm problems and to meet new situations; and (c) stimulating them to take necessary steps to insure maximum agricultural production and to maintain adequate nutritional and health standards.

The Problem and its Significance: Extension workers, Federal, State, and county, are receiving more and more requests for leadership, guidance, and assistance in all wartime activities of rural people. The confidence of rural people in their cooperative extension agents, gained through many years' experience with food production and conservation programs, leads them to look to county agents for guidance on wartime problems in connection with rationing, transportation, selective service, civilian defense, war boards, nutrition, and many others. The cooperative extension system has had many years of growth and seasoning, and rural people rely on it in wartime as well as in peacetime.

The Extension Service is directing all its many activities to assist farm people in their contribution to the winning of the war. The Extension Service, from its intimate association with the farm life of the Nation, fully realizes the tremendous and unprecedented undertaking of the farm people, and is seeking in every way available to aid them in carrying out their great task.

In bringing this undertaking to a successful issue, the farm people are faced with great difficulties. There are shortages of farm and home labor, equipment, machinery, fertilizers, transportation facilities and other supplies and services to which they are accustomed. Without the mass application of scientific agricultural knowledge to farming, as made possible through extension work, it is highly doubtful whether the Nation's food needs could have been met, even in a year with such unusually favorable growing season as 1942.

Additional problems faced farmers in connection with the war-induced scarcity of farm machinery, protein supplements, and needed fertilizers. These shortages necessitated numerous farm adjustments in many areas. Extension agents were called upon constantly to aid farmers by suggesting practices and methods that would aid in meeting production goals despite wartime shortages.

Trained personnel is one of the most important wartime problems facing the Extension Service staffs throughout the country. Since Pearl Harbor, 1,163 extension agents, or 12.4 percent of the entire extension staff have entered the combat service. Many of the places they had left had to be filled with new and less experienced men and women.

Many nutritional and health problems have been brought to rural areas by large shifts in population from State to State and from area to area within States, incidental to the great expansion in industrial production. Local interest in the solution of these problems had to be stimulated. In many counties this required the leadership of home demonstration agents and cooperation on the part of the organized Extension Service.

General Plan: In times of war, the cooperative agricultural extension program is determined in its larger aspects by the Federal Department of Agriculture, by common consent of the State colleges of agriculture concerned. The Department interprets to the State colleges the war situation and the Nation's war aims as they affect agriculture and rural life. In large measure it sets the tempo and shapes the policies of cooperative agricultural extension work through the war period. The State and county war boards consider all matters vital to the war effort which affect agriculture and rural people and assign various undertakings to the organizations or agencies represented on the board best suited for carrying them out. The Extension Service is the general educational agency on the war boards and as such is charged to carry on all general educational work of the war boards and many other essential tasks.

Each of the 48 States and the Territories of Hawaii, Alaska, and Puerto Rico, has a director of extension who represents jointly the Department and the State agricultural college in the administration of extension work. In each State the organization consists of a State administrative and supervisory staff, with headquarters in most cases at the State agricultural college; and county agricultural agents, county home demonstration agents, and county club agents, who have their offices usually at the county seats.

With its State and county workers, and volunteer farm men and women leaders in the communities and neighborhoods, Extension reaches in a personal way practically every farm family in the United States. Therefore, it is in a strategic position to unite the rural people for wide participation in an effective way in the Food Fights for Freedom program, the production of home food supply, conservation of food, clothing, and other materials, and in other activities so necessary at this time. In addition to carrying on extension work for the improvement of farm and homemaking practices, it now includes giving assistance in carrying public programs to the people locally, interpreting these programs and encouraging wide participation in them, and the determination of necessary farm and community readjustments.

Examples of Progress and Current Program: One of the major long-time functions and accomplishments has been the selection, training and development of an effective system of rural leadership through which more than 1,132,061 voluntary local leaders served their communities in 1942. Neighborhood leaders informed rural families of the Nation's

desire for scrap rubber, iron, fats, of the value of vitamin-enriched flour, of the need for Victory Gardens and how to grow them, of the danger of inflation, of the need for fire protection, of the need for buying war bonds and stamps, and similar war problems.

Extension agents in all States assisted local groups and individual farmers in working out their transportation problems through the pooling of shipments, organizing trucking associations, establishing back hauls, eliminating duplication, discontinuing long hauls by truck, coordinating truck and railroad transportation, and devising other adjustments in the interest of efficiency and in compliance with orders and recommendations of the Office of Defense Transportation. Through the transportation educational program, millions of truck miles were eliminated.

Assistance in meeting shortages of farm labor has been necessary and the Extension Service, through the Extension Farm Labor Program, is handling emergency intrastate farm labor recruitment, placement, housing, transportation, etc.

One of the leading contributions of extension work was the aid given farmers on machinery repair. A Nation-wide program was developed to urge farmers to repair and recondition all usable machinery. The shortages of some parts and the scarcity of replacements in new machinery were offset materially by the pooling of machinery resources in neighborhoods, a cooperative emergency undertaking which was stimulated by the Extension Service wherever possible.

Livestock extension activities for the year were characterized by extra efforts to increase the actual output of animal products by the use of better feeding practices and by reducing death losses from disease, parasites, and mismanagement. Special efforts were made to advise farmers and stockmen how to feed wheat successfully to farm animals, and how to conserve protein by using it efficiently and by producing their own legumes and other suitable crops to reduce the demand for commercial proteins. That these and other activities throughout the Nation have yielded notable results is shown by the fact that our total meat production in 1942 was probably about 22 billion pounds, as compared with 19.5 billion in 1941, and the goal of 25.7 billion pounds for 1943.

Dairy extension called for increased production to meet the needs of our armed forces, lend-lease, and the greater demand of our civilian population for milk and dairy products. To meet these needs an effort was made to assure an abundance of nutritious dairy feed. Pastures were good, but there was a scarcity of high-protein concentrates. To meet the situation, farmers were urged to use a grain ration with a minimum of protein consistent with needs to balance the roughage available; to plant legumes for summer pastures and hay, and to cut all hays early to obtain hay of high-protein content.

Agronomy extension was centered almost entirely on crop production to help with the war program, food and feed for greater numbers of livestock, and production of oil-bearing crops to furnish the needed supply of oil for human and animal consumption and for various war activities. The use of hybrid corn for seed was an important factor in corn yields which increased production per acre by 15 to 20 percent. The use of disease-resistant strains of wheat, oats, barley, and flax for seed was also a large factor in increased yields. In numerous States extension workers participated in the gathering of certified seeds donated by farmers for shipment abroad to aid in the rehabilitation and relief of allied peoples.

Home and victory gardening was an outstanding activity in Extension and throughout the Nation. Hawaii reported giving assistance to Army units in developing vegetable gardens and to home gardeners in Honolulu, where some 10,000 gardens have been established.

In helping rural people to achieve adequate diets, extension nutritionists and county home demonstration agents explained the protective value of whole grains, encouraged farm families to use home grown wheat for making whole-grain cereal, meal, and flour. They vigorously promoted the sale and use of enriched white flour and bread through publications, press, radio, group meetings, interviews, etc.

CHANGE IN LANGUAGE

The estimates include proposed changes in the language of all items covering payments to States, Hawaii, Alaska, and Puerto Rico, including the addition of a preamble as explained immediately below, and under each of items (a), (b), (c), (d) and (e) (new language underscored, deleted matter inclosed with brackets):

For payments to the States, Hawaii, Alaska, and Puerto Rico for cooperative agricultural extension work as follows:

The proposed preamble is being inserted for the sole purpose of simplifying the language for all items included under "Payments to States, Hawaii, Alaska, and Puerto Rico."

(a) Capper-Ketcham Act

Appropriation Act, 1944	\$1,480,000
Budget estimate, 1945	<u>1,480,000</u>

PROJECT STATEMENT

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
Payments to States and Hawaii for further development of cooper- ative agricultural ex- tension work (Capper- Ketcham Act)	\$1,480,000	\$1,480,000	\$1,480,000	- -

CHANGE IN LANGUAGE

- Capper-Ketcham [extension work: To enable the Secretary to carry into effect the provisions of the] Act: Act [entitled "An Act to provide for the further development of agricultural extension work between the agricultural colleges in the several States receiving the benefits of the Act entitled 'An Act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and mechanic arts', approved July 2, 1862 (7 U.S.C. 301-308), and all Acts supplementary thereto, and the United States Department of Agriculture",] approved May 22, 1928 (7 U.S.C. 343a, 343b), \$1,480,000.

The changes are for the sole purpose of simplifying and shortening the wording of the item, and do not in any way contemplate changes in authorization.

WORK UNDER THIS APPROPRIATION

This appropriation provides for the further development of agricultural extension work as specifically authorized by the provisions of the Capper-Ketcham Act of May 22, 1928 (7 U.S.C. 343a, 343b) and supplements the permanent annual appropriation provided under the Smith-Lever Act of May 8, 1914 (7 U.S.C. 341-348). The Capper-Ketcham Act authorizes an appropriation of \$980,000 to be divided at the rate of \$20,000 to each State and to Hawaii, without requirement for State and Territorial offset, and an additional \$500,000 to be divided among the States and Hawaii on the basis of rural population, the allotments from this additional \$500,000 to be met dollar for dollar by the State or Territory before the money becomes available. The Act further provides that at least 80 percent of the funds appropriated under this authorization shall be expended for salaries of county extension agents and that the extension agents appointed under its provisions shall be men and women in fair and just proportions.

As these funds are merged with all other extension funds for the conduct of the cooperative extension work, the particular work under this project cannot be separated. See the preceding general statement for cooperative extension work.

(b) Additional Extension Work

Appropriation Act, 1944	\$555,000
Budget estimate, 1945	300,000
Decrease	<u>-255,000</u>

PROJECT STATEMENT

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
Payments to States, Hawaii, Alaska, and Puerto Rico for additional agricultur- al extension work (Addi- tional extension work, act approved April 24, 1939)	\$555,000	\$555,000	\$300,000	-255,000(1)

DECREASE

(1) The decrease of \$255,000 in this item for 1945 contemplates discontinuance of the funds provided for the fiscal year 1944 to prevent the curtailment in the program of any State due to a reduction in its allotment from regular extension funds. As the 1940 Census revealed important shifts in farm and rural population since 1930, there was a redistribution of Federal funds for extension work in accordance with the basic acts. The amounts by which 24 States and Hawaii will be affected is shown in Table 3.

CHANGE IN LANGUAGE

Additional [cooperative] extension work: [For additional cooperative agricultural extension work in agriculture and home economics, to be allotted and paid by the Secretary to the several States and the Territories of Alaska, Hawaii, and Puerto Rico, in such amounts as he may deem necessary to accomplish such purposes, \$555,000]. Act approved April 24, 1939 (7 U.S.C. 343c-1), \$300,000.

The first and second deletions of language are for the sole purpose of simplifying and shortening the wording of the item. The third change in language inserts the authority for the appropriation item.

WORK UNDER THIS APPROPRIATION

This appropriation provides for additional cooperative extension work in agriculture and home economics to be allotted and paid by the Secretary of Agriculture to the several States and the Territories of Alaska, Hawaii, and Puerto Rico, in such amounts as he may deem necessary to accomplish such purposes. These funds supplement the permanent annual appropriation provided under the Smith-Lever Act of May 8, 1914 (7 U.S.C. 341-348). A separate accounting of these funds is observed by each State and Territory and an annual report of expenditures by lines of work and items of expenditure is submitted to the Federal Extension Service. Since these funds supplement the permanent annual appropriation, the work under this project has been included in the general statement for cooperative extension work.

(c) Bankhead-Jones Act

Appropriation Act, 1944	\$12,000,000
Budget estimate, 1945	<u>12,000,000</u>

PROJECT STATEMENT

Project	1943	1944 :(estimated):	1945 :(estimated):	Increase or decrease
Payments to States and Hawaii for cooperative agricultural extension work (Bankhead-Jones Act)	\$12,000,000:	\$12,000,000:	\$12,000,000:	- -

CHANGE IN LANGUAGE

[Extension work, section 21,] Bankhead-Jones Act: [To enable the Secretary to carry into effect the provisions of section] Section 21, title II, of the Act [entitled "An Act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges",] approved June 29, 1935 (7 U.S.C. 343c), \$12,000,000.

The changes in language are for the sole purpose of simplifying and shortening the wording of the item, and do not in any way contemplate changes in authorization.

WORK UNDER THIS APPROPRIATION

This appropriation provides for the further development of cooperative extension work and is specifically authorized by the provisions of Section 21, Title II, of the Bankhead-Jones Act of June 29, 1935 (7 U.S.C. 343c). It augments the cooperative agricultural extension funds provided by the Smith-Lever Act of 1914, and the Capper-Ketcham Act of May 22, 1928. No State offset is required for the funds under this Act. However, in order to qualify for funds from this appropriation, the States must have met the matching requirements of the permanent Smith-Lever Act, and the Capper-Ketcham Act. Under Section 21 of the Bankhead-Jones Act, \$20,000 is allotted to each State and to Hawaii; on the basis of farm population, the remainder is then allotted to each State and Territory.

As these funds are merged with all other extension funds for the conduct of the cooperative extension work, the particular work under this project cannot be separated. See the preceding general statement for cooperative extension work.

(d) Alaska

Appropriation Act, 1944	\$23,950
Budget estimate, 1945	<u>23,950</u>

PROJECT STATEMENT

Project	1943	1944 :(estimated):	1945 :(estimated):	Increase or decrease
1. Extension of the Smith- Lever Act to Alaska (Act of Feb. 23, 1929)	\$13,950	\$13,950	\$13,950	- -
2. Extension of the Capper- Ketcham Act to Alaska (Act of June 20, 1936) ..	10,000	10,000	10,000	- -
Total estimate or appropriation	23,950	23,950	23,950	- -

CHANGE IN LANGUAGE

Alaska: [To enable the Secretary to carry into effect the provisions of the Act entitled "An] Act [to extend] approved February 23, 1929 (7 U.S.C. 386c) extending the benefits of the Hatch Act and the Smith-Lever Act to the Territory of Alaska["], approved February 23, 1929 (7 U.S.C. 386c)], \$13,950; and [the provisions of] section 3 of the Act [entitled "An Act to extend] approved June 20, 1936 (7 U.S.C. 343e) extending the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, [and for other purposes", approved June 20, 1936 (7 U.S.C. 343e),] \$10,000; in all, for Alaska, \$23,950.

The changes in language are for the sole purpose of simplifying and shortening the wording of the item, and do not in any way contemplate changes in authorization.

WORK UNDER THIS APPROPRIATION

The provisions of the Smith-Lever Act of 1914 and the Capper-Ketcham Act of 1928 were extended to Alaska by special acts of Congress to provide for cooperative agricultural extension work in the Territory, as follows:

Extension of the Smith-Lever Act to Alaska (Act of Feb. 23, 1929): The extension of the Smith-Lever Act to Alaska is specifically authorized by the Act approved February 23, 1929 (7 U.S.C. 386c). Under the provisions of this Act, \$10,000 is appropriated annually to Alaska without requirement of Territorial offset, and the remainder must be matched by Territorial funds used for extension work. Experiment stations have been maintained in Alaska for many years but cooperative agricultural extension work was not systematically begun among farmers until 1931.

Extension of the Capper-Ketchum Act to Alaska (Act of June 20, 1936): Funds provided under the Act of February 23, 1929, were supplemented by the extension of the Capper-Ketchum Act to Alaska, as specifically authorized by an Act approved June 20, 1936 (7 U.S.C. 343e). Under the provisions of this Act, \$2,500 was authorized for the fiscal year 1937, to be increased on recommendation of the Secretary of Agriculture by this amount annually until a total of \$10,000 is reached. The Act also provides that the several established judicial divisions of the Territory of Alaska, as the same shall exist, be considered as counties for the purpose of complying with the provisions of the Act until a subdivision of the Territory into counties is effected. No Territorial offset is required for any of the funds under the Act approved June 20, 1936.

Examples of Progress and Current Program: As the funds provided under these acts are merged, the statement of progress and current programs includes the work under both.

The Territory of Alaska is a food and feed deficit area. Supplies are shipped from the U. S. mainland. The objectives and plans of the Alaskan Extension Service are designed to make all farms self-sustaining and to provide food for the civilian population as far as possible. The Extension Service in the Territory of Alaska is adapting itself to war conditions and emphasis has been placed upon the need for increased food production by means of crop diversification and the maintenance of the health of civilians by the improvement of the diet. The good work that the Extension Service is doing with the farm people is a steadying influence upon the morale of the people.

Current programs are being conducted to increase livestock production; protect the livestock by efficient veterinary help; increase fur production in order to have more clothing for the soldiers; encourage a more intensive production of crops in order to have a more adequate food supply; organize groups for the prevention of fire in the forest areas; coordinate the work of the extension specialist and the field worker; and cooperate with authorities in conducting first aid classes with the rural people.

The present shortage of transportation facilities makes the plan to meet food and feed objectives a most urgent war effort, and the Extension Service now has a great responsibility to teach the farmers to be self-sustaining and to increase the production of livestock, food, and feed crops.

(e) Puerto Rico

Appropriation Act, 1944	\$140,000
Budget estimate, 1945	<u>140,000</u>

PROJECT STATEMENT

Project	1943	1944 :(estimated):	1945 :(estimated):	Increase or decrease
Payments to Puerto Rico	:	:	:	:
for extension of Section	:	:	:	:
21, Bankhead-Jones Act	:	:	:	:
to Puerto Rico	\$100,000	\$140,000	\$140,000	- -

CHANGE IN LANGUAGE

Puerto Rico: [To enable the Secretary to carry into effect the provisions of the] Act [entitled "An Act to extend] approved August 28, 1937 (7 U.S.C. 343f-343g) extending the benefits of section 21 of the Bankhead-Jones Act to Puerto Rico [", approved August 28, 1937 (7 U.S.C. 343f-343g)], \$140,000.

The changes in language are for the sole purpose of simplifying and shortening the wording of the item, and do not in any way contemplate changes in authorization.

Authorization: The appropriations authorized and the amounts appropriated to Puerto Rico under the Smith-Lever Act, as amended, and the Act of August 28, 1937, are as follows:

Permanent Specific Appropriation

Act of August 28, 1937

Authorizations

Year			Total
1939	95,069	88,000	183,069
1940	95,069	128,000	223,069
1941	95,069	168,000	263,069
1942	103,315	208,000	311,315
1943	103,315	248,000	351,315
1944	103,315	288,000	391,315
1945	103,315	328,000	431,315
1946	103,315	368,000	471,315
1947	103,315	408,000	511,315

Appropriations

<u>Year</u>			<u>Total</u>
1939	\$95,069	\$45,000	\$140,069
1940	95,069	65,000	160,069
1941	95,069	90,000	185,069
1942	103,315	100,000	203,315
1943	103,315	100,000	203,315
1944	103,315	140,000	243,315
1945	103,315	140,000 Estimate	243,315

WORK UNDER THIS APPROPRIATION

The war has profoundly affected Puerto Rico's basic economic structure. The Island's economic opportunities have always been at the mercy of external market conditions and ocean traffic. The curtailment of ocean traffic due to present war conditions and to the diversion of shipping facilities to meet war needs has brought serious economic and social problems, especially to the low-income class, in which a great percentage of the rural population falls.

The principal source of income in Puerto Rico in normal times is the production of cash export crops, such as sugar and tobacco. This has meant that through the years the Island has come to depend very heavily on imported foodstuffs, approximately 40 percent of their food being imported from the mainland. At various times during the war emergency, considerable difficulty has been experienced in securing for Puerto Rico the constant amount of ship tonnage that is necessary to supply the Island with its requirements of imported foodstuffs. Now more than ever, the work of the Extension Service is having a direct bearing on the welfare of the Island's population. Since many farmers who produced cash export crops have had very little experience in the production of food crops, there is a great need for advice and assistance from qualified agricultural authorities to convert the sugar and tobacco plantation acreage to the production of food crops. In this way their dependence on the mainland for the duration of the war will be lessened.

The educational work of the Puerto Rican extension staff toward encouraging production of an adequate food supply is an essential part of our war program. Surveys have shown that food consumption of protective foods is only about one-half of the amount which is considered as essential. A large percentage of the people use no milk--the per capita consumption averaging only 3 ounces per day. Their diet lacks protein, vitamins, and minerals. Many of the poorer people must be taught the simple rudiments of food and health. The opportunities for profitable production of fruit and vegetables are many and the need for an increased use of fruit and vegetables in the diet is great.

In Puerto Rico 41 percent of the rural population is still illiterate, and over 160,000 rural boys and girls do not attend schools, whereas they should be receiving training to make them good citizens, farmers, and homemakers. An educational program is necessary to encourage these rural young people. The Extension Service is enlisting rural boys and girls in special wartime activities and aids in solving youth problems through the 4-H Club Victory programs.

Participation by rural people in extension activities has increased greatly, thus displaying increased faith in the Service through extending improved practices. It is estimated that the total number of different farms influenced by the Extension program increased from 22,398 in 1937 to 32,244 in 1942. Enlargement of adult and junior leadership is planned to increase the number of people benefited.

The Extension Service is coordinating its efforts with those of other Federal and Insular agencies with common goals and objectives, and cooperation will be given to civilian defense committees, Office of Price Administration, Food Distribution Administration, and other agencies contributing to improve conditions of the whole Island of Puerto Rico during this war emergency. Basic information and supporting material were supplied the rural people on war programs affecting them--food production goals, nutrition, conservation, and salvage of scarce materials, farm machinery repair, fire control, health and sanitation.

(2) SALARIES AND EXPENSES

(f) Administration and Coordination of Extension Work

Appropriation Act, 1944	\$658,843
Anticipated deficiency for overtime pay required by the War Over- time Pay Act of 1943	+90,000
Total anticipated available, 1944	748,843
Budget estimate, 1945	<u>748,843</u>

PROJECT STATEMENT

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
1. General administration and business service	\$113,332	\$131,748	\$131,748	- -
2. Review and analysis of State budgets, projects and plans, and examination of State expenditures from: Federal payments	61,578	74,640	74,640	- -
3. Planning and coordination of State and county ex- tension work	116,663	132,420	132,420	- -
4. Development of technical subject matter for use by State extension forces ..	155,701	203,480	203,480	- -
5. Field studies of exten- sion work, and the train- ing of extension workers.	79,665	93,770	93,770	- -
6. Preparation and distribu- tion of visual material and extension literature to Department and State extension forces	98,024	112,785	112,785	- -
Covered into Treasury in accordance with Public Law 674	2,515	- -	- -	- -
Unobligated balance	11,380	- -	- -	- -
Total available	638,858	748,843	748,843	- -
Transferred to:				
"Salaries and expenses, library"	+5,100	- -	- -	
"Salaries and expenses, Office of Information"...	+2,500	- -	- -	
Anticipated deficiency for overtime pay	- -	-90,000	- -	
Total estimate or appropriation	646,458	658,843	748,843	

Statement of Overtime Costs

	: 1943	: Est. 1944	: Est. 1945
Overtime absorbed	: 37,429	: - -	: - -
Additional funds for overtime (appropriated, 1943, estimated supplemental, 1944; and included in budget estimate, 1945)	: - -	: 90,000	: 90,000
Total cost of overtime (7 months in 1943):	: 37,429	: 90,000	: 90,000

WORK UNDER THIS APPROPRIATION

Objective: To represent the Department in the administration, through the State agricultural colleges, of the Nation-wide system of cooperative extension work in order that it may function nationally, as well as on a State and local basis, as an effective educational force to help every rural family.

The Problem and its Significance: Agricultural programs are conducted basically for the national welfare to provide for the entire population an adequate supply of food, clothing, shelter, and other necessities derived from agricultural products. Agriculture and home economics extension work is directed toward accomplishing this purpose and concurrently developing the highest level of farm living available to the farm families thus serving the Nation.

Peacetime rural problems persist in wartime, but they are distorted by a continuing series of acute operational problems created for the farmer by shortages of labor and equipment, dislocations of distribution channels and shifting, emergency war needs. Crop rotations, for example, must be adapted to war demands; balanced rations for livestock must be made from such feeds as are available; family living must be adjusted to new tasks and diets. It is no longer a question of the best way to do a job, but of the best way to do it under current conditions.

The activities of the entire cooperative extension organization in Washington and in the 48 States, Alaska, Hawaii, and Puerto Rico, are directed toward helping rural families make their greatest contribution to the war effort by assisting them in appraising wartime situations and deciding on sources of action. Extension work, since its inception, has always been close to the people. At the same time it is sufficiently flexible to change with the people's needs and the national needs. From an elementary program of relatively simple practices in farming and homemaking, extension work has grown until it encompasses practically all of the many deep-seated problems that affect agricultural policies and the entire mode of rural life in a Nation at war.

Assistance in meeting shortages of farm labor has been necessary and the Extension Service, through the Extension Farm Labor Program, is handling emergency intrastate farm labor recruitment, placement, housing, transportation, etc.

General Plan: The Federal extension office functions as an administrative organization for the whole cooperative agricultural extension service. It promotes close cooperation between the Federal Department of Agriculture and the State land-grant colleges in aiding rural people to attain more efficient farming, better homes, and a larger rural life. It administers the various acts of Congress relating to extension work, which involves review of budgets, projects, plans of work, and financial reports to ascertain that the funds are expended in accordance with the Federal laws and agreements.

General supervision is maintained of the work of 3,730 county agricultural agents, 2,317 home demonstration agents, 337 club agents, 538 Negro agents, and 653 State supervisors, which centers in and clears through the Federal Extension Service, in order that national standards and principles in organizing and conducting extension work on the county level be followed throughout the country. Some 1,132,061 local volunteer extension leaders are assisting these agents in carrying on the work.

Assistance is given to State extension services in reaching the goals of wartime agricultural programs by adapting technical subject matter in agriculture and home economics to the needs of rural people and channeling to them through State and county workers, the results of Department research. The county extension agents depend upon the State extension specialists for information and guidance in solving farm problems. The State specialists in turn are dependent upon the Federal extension subject-matter specialists and economists, who serve as liaison between the several agencies of the Department and the colleges. They act as leaders in developing subject matter and economic educational programs on a regional basis.

Field studies and personnel training activities are conducted to make extension work meet, more effectively, wartime needs. In a decentralized educational system, such as the cooperative extension service, it is exceedingly important that a continuous program of field studies be conducted to determine the effectiveness of organizational structures, programs, and methods, and provide a factual basis for improving procedures and techniques. It is equally important that the new field personnel be given suitable training and that the older workers be kept abreast of current developments and be informed and practiced in the best known methods of conducting extension work.

A program of visual and information aids which interpret and support the Department's wartime program is developed for local adaptation and educational use by State and county extension workers. It is used to teach and assist State and county extension workers to plan and carry forward their own wartime educational programs. The teaching and informational media used include publications, radio, newspapers, circular letters, slide films, photographs, charts, and the like. Each war program concerning rural people requires the preparation and wide distribution of specific information and educational aids.

Examples of Progress and Current Program: The following are examples of recent accomplishments under this appropriation.

General administration and business service: The Director of Extension and his assistants are serving on many essential committees in connection with the agricultural war effort and the interpretations of plans and policies of the War Production Board, Office of Price Administration, War and Navy Departments and other Federal war agencies. Constant effort is being made to improve and increase the efficiency of general business operations and to adopt new and better ideas of procedure whenever possible.

Review and analysis of State budgets, projects, and plans, and examination of State expenditures from Federal payments: The staff under this project is concerned with the review of all State budgets, projects, and plans of work, involving more than \$40,000,000 of Extension and Farm Labor funds, to insure all funds being spent wisely and in accordance with limitations placed by Congress. State Extension payrolls are considered in relation to approved projects and plans of work to determine if results justify money expended. More than 1,400 State plans of work are reviewed to determine if war work is included. Marked improvement has been noted in plans of work, resulting from a more general use of a plan of work outline developed in this office and through distributing copies of the better plans upon request.

Planning and coordination of State and county extension work: This staff aids in maintaining central direction so that national standards and principles in conducting extension work on the county level are understood throughout the country. The staff also brings to the Federal Service, for appropriate action on the national level, reports on situations and problems affecting the counties and States. It works with directors, supervisors, specialists and extension agents in organizing and supervising State and county programs. These, of course, now deal largely with war problems.

County extension agents translate programs into action, organize people, and carry out the educational work to assure understanding and participation. Some 1,132,061 local volunteer extension leaders are assisting these agents in carrying on the work. The neighborhood leaders are enlisted to contact from 10 to 15 designated neighbors who must be visited or interviewed by telephone or at meetings, and often given printed circulars, circular letters, reports, and other material bearing on wartime needs and problems.

Aside from the field work, the staff operates in supplying State and county workers with materials, directions, plans of various kinds. These are developed by members of the staff, as for example, the outline of the 4-H Mobilization Campaign, Feed a Fighter Campaign, Home Food Supply Campaign together with suggested illustrative and educational material as the film strip, "Neighborhood Leaders Mobilize."

The staff also sends to the State and county extension agents educational material prepared by other national agencies or by the State extension forces.

A Nation-wide home food production and preservation campaign was organized with the result that nearly 8,000,000 farm families and nonfarm families are actively cooperating. The Victory Garden program was a most important activity of this project, and will continue to be because of national food and health needs. The leader of this staff was Chairman of the Department's Victory Garden Committee. The goal of 18,000,000 gardens for 1943 was exceeded by some 2,000,000.

Development of technical subject matter for use by State extension forces: The subject matter specialist staff provides State and county extension forces with the results of Department research work and essential information regarding national war programs for agriculture, and assists in correlating such information with State extension programs in order that agriculture and home economic practices may be improved. The work is divided along two lines of activity: (a) Development of technical subject matter in agriculture and home economics, and (b) development of subject matter in economics and marketing.

Special materials are prepared for State and county extension workers who bring dependable information to rural and urban families, as well as almost all farm people. Special emphasis is being placed on the following programs: Nation-wide human nutrition; war food production and conservation; production of special war crops and products for fibres, fats, oils, etc; effective use and conservation of farm machinery and equipment; emergency procurement and best use of seeds, fertilizers, insecticides, soil conservation and improvement of land use for war production purposes; and home management, child care and training. Approximately every producing farm in the country is participating in one or more of the agricultural and home economics subject-matter programs that are coordinated with the programs of the War Food Administration, and other war agencies such as OWI, WPB, OPA, etc.

Approximately ten percent of the 1942 cotton crop was reduced one or more grades because of poor ginning preparation, resulting in a direct loss to farmers estimated to exceed one and one-half million dollars and in a significant reduction in the supply of better cottons of the grades needed in war materials. An added loss was in the additional cost, greater labor requirement, and loss of time in preparing this in the mills. The average grade of the last two cotton crops was the lowest on record. Many of the causes of the decline in grades of cotton may be readily overcome by educational work with farmers and ginners. The educational program is being administered by the Extension Service, in close collaboration with the U. S. Cotton Ginning Laboratory, Stoneville, Mississippi.

Educational work in economics extension for the duration of the war will be directed toward developing an understanding among rural people of the economic problems caused by the war and applying economic and marketing information to their solution. State extension programs, incorporating principles and practices of economics to meet rapidly changing needs, are placing special emphasis on: More efficient use of labor in production, marketing, and distribution; operation of farms at peak efficiency and for greatest possible production of essential products; providing farmers with current economic information--prices, priorities, supplies, etc., as a guide to their production and marketing activities; facilitating farm income tax reporting; conservation and efficient use of transportation and marketing facilities; assistance to farmers' cooperatives; and proper utilization of credit in farming operations.

Field studies of extension work, and the training of extension workers: Under this project the scientific staff makes studies of organization structures, administrative procedures, and teaching techniques which provide objective data invaluable in readjusting programs, plans, and procedures for the efficient handling of wartime responsibilities. Results of field studies conducted in 34 States have been presented to district, State-wide, and regional conferences and in cooperation with State extension workers, plans have been worked out to increase the effectiveness of wartime extension work.

A study was made of the effectiveness of neighborhood leadership procedures, and conclusions and observations have been used as a basis for servicing the neighborhood leader system. The number of counties with neighborhood leaders has now reached 97 percent, and the plan is now functioning in 47 States. In home economics extension work a summary study was completed and 60 percent of the homes visited reported changing practices due to extension influence in connection with food and nutrition. In 4-H Club work, three studies were completed and published in educational evaluation. Analysis of the job of the home demonstration agent is being made to determine the teaching load and the strengthening of the work to meet wartime goals. A training program in extension methods is being planned for 11 Latin-American students. They will learn how to apply extension methods locally to their agriculture and homemaking problems when they return to their own countries.

Preparation and distribution of visual material and extension literature to Department and State extension forces: Extension workers in the field have been quickly informed on wartime developments affecting agriculture and supplied with supporting educational material and suggestions which are passed on by them at State and county levels by newspapers, radio, visual aids, and other educational media to each rural family in the country. The Extension Service Review was prepared and distributed monthly to the field staff to keep them informed of agriculture's wartime programs and effective teaching techniques. Activities during the year included reviewing all State Extension news, radio, visual, and publication plans of work;

providing State Extension information workers on a spot news basis with a constant flow of information on new developments; furnishing extension workers 6 information manuals, 12 new slide films, 47 posters, 763 charts, graphs, bulletin covers, etc., and 11,000 photographic prints; editorial preparation of 27 printed publications and 1,650 duplicated jobs; distribution of over 9 million Department publications and 7,900 Department window displays; and suggesting visual aids and other educational procedures.

(g) Cooperative Agricultural Extension Work

(Permanent Annual Smith-Lever Appropriation)

Permanent Appropriation, 1944	\$4,704,710
Budget estimate, 1945	<u>4,704,710</u>

PROJECT STATEMENT

Project	1943	1944 (estimated)	1945 (estimated)	Increase or decrease
Payments to States, Hawaii, and Puerto Rico for cooperative agricultural extension: work (Smith-Lever Act):	\$4,704,710	\$4,704,710	\$4,704,710	- -

WORK UNDER THIS APPROPRIATION

This permanent specific appropriation for cooperative agricultural extension work was provided for under the Smith-Lever Act, approved May 8, 1914 (7 U.S.C. 341-348), as amended by the extension of this Act to the Territory of Hawaii by the Act of May 16, 1928 (7 U.S.C. 386-386b) and to Puerto Rico by the Act of March 4, 1931 (7 U.S.C. 386d-386f). Under the provisions of these Acts \$10,000 is appropriated annually to each State, Hawaii, and Puerto Rico without requirement of State or Territorial offset, and the remainder of the appropriation is distributed on the basis of rural population. The Smith-Lever Act is the basic act under which cooperative extension work is conducted by the Department and State colleges of agriculture. The particular work under this project cannot be separated and for the combined statement, please refer to the general statement for cooperative extension work.

(h) Salaries and Expenses, War Food Administration
(Allotment to Extension Service)

Allotment, 1944 (for last 6 months of fiscal year 1944)	\$2,035,000
Budget estimate, 1945	4,070,000
Increase	<u>+2,035,000</u>

PROJECT STATEMENT

Project	1943	1944 :(estimated):	1945 :(estimated):	Increase or decrease
1. Federal administration of emergency extension war programs:				
(a) Planning and coordination of extension work	- -	\$16,727:	\$33,454:	+\$16,727
(b) Development of technical subject matter for use by State and county extension workers ..	- -	7,324:	15,648:	+7,324
(c) Preparation and distribution of visual material and war information to State and county workers	- -	10,449:	20,898:	+10,449
2. Payments to States and Territories for emergency extension work related to the war	- -	2,000,000:	4,000,000:	+2,000,000
Total estimate or appropriation ..	- -	2,035,000:	4,070,000:	+2,035,000(1)

INCREASE

(1) The increase of \$2,035,000 in this allotment for 1945 is due to the fact that the funds available for 1944 cover only the last half of that fiscal year, and it is necessary to increase the 1944 allotment to provide the same facilities for 1945.

WORK UNDER THIS ALLOTMENT

Objective: To carry out the educational work assigned to the Extension Service by the War Food Administrator which relates to war food programs. The primary wartime responsibility of extension agents in the States and counties is to render such educational and informational services to farmers and their families as will enable them to produce and conserve the kinds and amounts of food and fiber required in the successful prosecution of the war.

The Problem and its Significance: The war necessitated an intensification of peacetime educational efforts and added many new requirements demanding additional assistance from extension agents. The educational work in support of the various war programs affecting agriculture was assigned to the Extension Service under Administrator's Memorandum No. 31, Revised, and necessitates a well-organized educational program in addition to the technical production and conservation educational work heretofore conducted and now being continued on an intensified basis.

Some of the problems demanding special programs and special efforts are: A necessity for production of new wartime crops, such as hemp; the shifting of some crop acres to new uses, such as from sugar beets to potatoes, and from cotton to peanuts, sweetpotatoes, and the like; adopting new production practices necessitated by the inability to acquire former production materials, such as insecticides and fungicides; how to maintain or increase production with less labor and materials available; how to increase production for home use; how to conserve the maximum amounts of food products; how to improve family nutrition in order to protect health; how to insure maximum utilization of available labor; how to participate in the various agricultural programs; and how to operate most effectively under the various wartime restrictions and regulations necessary to insure agriculture's making its maximum contributions.

Emergency war food production and preservation assistants will explain the wartime programs of the War Food Administration to all rural families, and emergency information assistants will handle at the State and county levels wartime information on a "spot news" basis. The number of farmers who come to the county extension office in person or contact the office by 'phone has increased from 40 to 74 percent over pre-war. Emergency clerical assistants will relieve county extension agents of details and enable them to spend more time in the field.

The staff in the Federal Extension office is being reinforced to the extent necessary to plan and coordinate the emergency extension work caused by the war; to develop technical subject matter for use by State and county extension workers; and to prepare and distribute visual material and war information to State and county workers.

(i) Conservation and Use of Agricultural Land Resources
(Allotment to Extension Service)

This budget schedule covers obligations under an allotment for special assistance in connection with the preparation of extension literature and visual material for use by State and county extension workers in carrying on educational activities in behalf of the conservation and sound farming objectives of the agricultural conservation program.

(j) Exportation and Domestic Consumption of Agricultural Commodities
(Allotment to Extension Service)

This budget schedule covers obligations under an allotment to provide special assistance on agricultural marketing agreement programs and the preparation and distribution of educational material in connection with the requirements of the Food Distribution Administration.

(k) Farm and Other Private Forestry Cooperation
(Allotment to Extension Service)

This budget schedule covers obligations under an allotment to make available forestry subject matter and information on teaching methods and procedures to State Extension Services whose forestry specialists, through the county agents, influence farmers to adopt improved woodland management and marketing practices and thereby provide forest products needed by industry and the armed forces. Please refer to the appropriation "Farm and Other Private Forestry Cooperation" (under Forest Service) for the combined reports of progress under this appropriation, which includes the work of the Extension Service.

(l) Working Fund, Extension Service

This budget schedule covers obligations under advances, pursuant to Section 601 of the Economy Act of June 30, 1932, for services of men competent to give advice and assistance to water users in the development of their farms and in improving methods of irrigation and bringing about more efficient use of water. This service is performed to continue a project for the Bureau of Reclamation, Department of the Interior.

STATEMENT OF OBLIGATIONS UNDER SUPPLEMENTAL FUNDS

Items	Obligations 1943	Estimated obligations, 1944	Estimated obligations, 1945
Cooperation with American Republics:			
(Transfer from State Department):			
Trainee program in agricultural			
and home economics extension			
work 1/	- -	\$28,293	\$31,724
Supply and distribution of farm			
labor: Mobilization of local			
labor under the Department's farm:			
labor program 2/	\$21,680	128,320	- -
Salaries and expenses, War Food			
Administration: Emergency exten-			
sion work necessary to the suc-			
cessful prosecution of War Food			
Administration programs	- -	2,035,000	4,070,000
Conservation and use of agricul-			
tural land resources: Special			
assistance connected with re-			
quirements of the agricultural			
conservation program	8,380	5,920	- -
Exportation and domestic consump-			
tion of agricultural commodities:			
Special assistance connected with:			
programs under Section 32, Act of:			
August 24, 1935	9,980	7,900	7,900
Farm and other private forestry			
cooperation: Cooperation with			
States for extension activities			
in developing farm forestry			
under the--			
Norris-Doxey Act	32,279	42,652	42,652
Clarke-McNary Act, Section 5 .	59,418	65,728	65,728
Total, Farm and other private			
forestry cooperation	91,697	108,380	108,380
Working Fund, Extension Service			
(Advance from Department of the			
Interior): For special assistance			
on reclamation projects	9,328	9,500	- -
Total, Obligations under supple-			
mental funds	141,065	2,323,313	4,218,004

1/ Budget schedule for this item appears under the State Department section (see page 625).

2/ Obligations under an allotment from the appropriation made by Public 45 (April 29, 1943) for the calendar year 1943, subsequently extended through January 31, 1944. Supplemental estimate for calendar year 1944 was submitted to the Congress in House Document No. 346.

DELETION OF WORDS "GRAND TOTAL, OFFICE OF THE SECRETARY
OF AGRICULTURE" AND PROVISOS RATIFYING OBLIGATIONS

[Grand total, Office of the Secretary of Agriculture, \$24,623,443: Provided, That the appropriations and authority with respect to appropriations contained in this Act shall be available from and including July 1, 1943, for the purposes respectively provided in such appropriations and authority: Provided further, That all obligations incurred during the period between June 30, 1943, and the date of the enactment of this Act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.]

The estimates propose that the entire language quoted above be deleted for the following reasons:

- (1) The words "Grand total, Office of the Secretary of Agriculture" apply to the total funds appropriated or estimated for the Office of the Secretary, Office of the Solicitor, Office of Information, Library, Bureau of Agricultural Economics, Office of Foreign Agricultural Relations, and the Extension Service. By Executive Order 9322, March 26, 1943, the Extension Service was constituted a part of the War Food Administration. In view of this action, and the fact that the staff offices of the Department are also serving the War Food Administration in a staff and service capacity, it is recommended that this "grand total" be deleted from the language since it is no longer significant from either an administrative or organizational standpoint.
- (2) Since the 1944 Agricultural Appropriation Bill had not been approved on July 1, 1943, the two provisos included in the language quoted above were inserted by the Congress to validate all obligations incurred against the appropriations and authorizations contained therein during the period July 1, 1943 to July 12, 1943, the date the 1944 Agricultural Appropriation Act was approved. This language, therefore, may be deleted.

